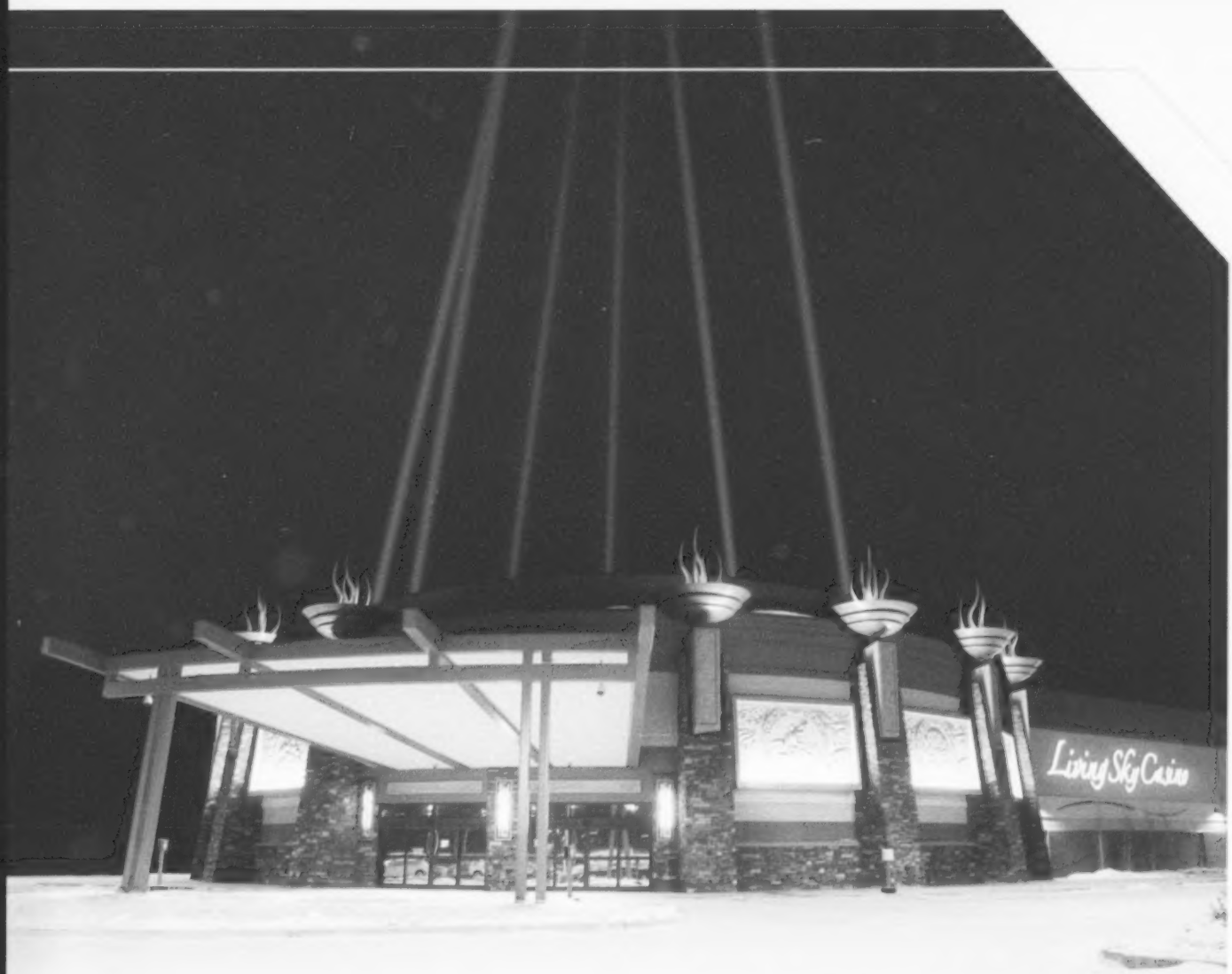
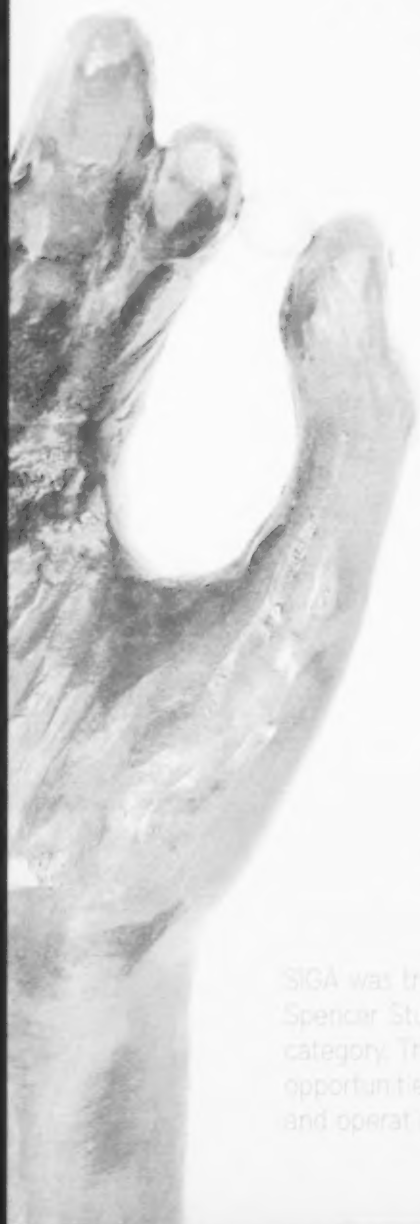
SASKATCHEWAN INDIAN
GAMING AUTHORITY



Annual Report
2006



SIGA was the honoured recipient of The Conference Board of Canada/ Spencer Stuart 2009 National Award in Governance in the Not-for-Profit category. This distinction was achieved through a dedication to creating opportunities for First Nations people, and the foundation of our governance and operations in First Nations culture – our guiding principles.

"SIGA stands as a symbol of empowerment to our First Nations, to Saskatchewan Métis, and to anyone who wants to work for an employer holding out a reasonable prospect of a decent, meaningful, gainful career with endless possibilities."

/ Kevin Boris, Cashier, Painted Hand Casino

Corporate Overview

The Saskatchewan Indian Gaming Authority (SIGA) is the operator of First Nations casinos in Saskatchewan.

With approximately 2,000 employees, SIGA casinos entertain well over three million guests annually. SIGA is a top 15 employer in Saskatchewan and is currently ranked in Saskatchewan's top 35 companies with annual revenues of approximately $240M and net profits over $67M.

Our family of casinos are conveniently located across Saskatchewan: Bear Claw Casino (Carlyle), Dakota Dunes Casino (Saskatoon), Gold Eagle Casino (North Battleford), Living Sky Casino (Swift Current), Northern Lights Casino (Prince Albert) and Painted Hand Casino (Yorkton).

In addition to our traditional First Nations hospitality and service, our casinos offer entertainment and excitement including 1,800 slot machines, 52 live table games, a full line of food and beverage services and live on stage entertainment.

As a responsible corporate citizen, SIGA has made a commitment to customers, employees, stakeholders and suppliers to advocate the responsible use of its gaming products and to minimize the potential for harm.

Under the First Nations Gaming Act in 1995, the Federation of Saskatchewan Indian Nations Inc. created the Saskatchewan Indian Gaming Authority.

Since 1996, SIGA has been incorporated under The Non-Profit Corporation Act of Saskatchewan with all profits returned to its beneficiaries. Gaming operations have become an important revenue source for Saskatchewan's First Nations, the Provincial Treasury, and Community Development Corporations (CDC) situated in six casino locations across Saskatchewan. The CDCs distribute this money to charitable and not-for-profit community organizations.

Vision & Mission

OUR VISION

Sharing Success

By sharing success, all people will benefit and bring about many positive relationships to meet our mission as an organization.

OUR MISSION

SIGA will strengthen the lives of Saskatchewan and First Nations people through employment, economic growth, and community relations. This will be accomplished through the provisions of a distinctive First Nations gaming experience that reflects the traditional aspects of our First Nations heritage and hospitality.

Guiding Principles

SIGA has – as a First Nations organization employing First Nations people – adopted five principles to encourage balance, while incorporating the traditional aspects of First Nations culture. While our five guiding principles are presented here in Cree, there are parallel expressions in the Saulteaux, Dene and Lakota, Dakota and Nakota languages.

TÂPWÊWIN

The principle of Tâpwêwin advocates speaking with precision and accuracy. From a business perspective, this means SIGA must be accountable for its actions and conduct business with integrity, honour and discipline.

PIMÂCIHOWIN

Pimâcihowin stresses the importance of "making a living" and is today's realization of our First Nations' treaty relationship. The financial and operational success of SIGA provides the means to exercise a holistic approach to improving the quality of life for our people.

MIYO-WÎCÊHTOWIN

The value of getting along with others is embodied in the word Miyo-wîcêhtowin. By conducting our business in a manner that reflects our First Nations hospitality, traditions and customs, we are able to foster good relations with our customers. Guest satisfaction is crucial to our success and our First Nations heritage is a source of competitive advantage.

MISKÂSOWIN

Miskâsowin signifies the value of finding one's sense of origin and belonging. A fundamental goal of SIGA is to bring about this sense in a positive way. This value speaks to instilling a sense of pride in ourselves and our province's First Nations heritage.

WÎTASKÊWIN

Living together on the land is the fundamental value conveyed by the word Wîtaskêwin. SIGA's vision "Sharing Success" talks to the concept of sharing our land or, in today's terms, sharing resources. This value directs us to give back to the communities where we live and work.

Message from FSIN

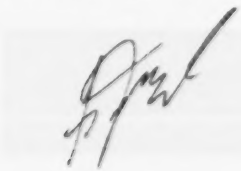
The Saskatchewan Indian Gaming Authority continues to reach new heights in gaming and entertainment. The First Nations owned and operated organization continues to follow the mandate that was set out by the Chiefs of Saskatchewan.

In recent years, SIGA has grown significantly and now operates six casinos across Saskatchewan. The $125M capital reinvestment by First Nations will provide long-term sustainability and a strong future for gaming and entertainment in Saskatchewan.

In addition to the positive revenue SIGA continues to generate for First Nations communities, it also continues to create employment. More than 2,000 people are now working for the organization including over 1,300 First Nations people.

SIGA has grown to one of the largest and most successful First Nations businesses in Canada. In fact, it has grown so large that a new Chief's Gaming Commission is being created to ensure the First Nations gaming industry continues to grow and prosper.

On behalf of the 74 First Nation Chiefs in this province, it is again my pleasure to respectfully submit the Saskatchewan Indian Gaming Authority Inc. report ending March 31st, 2009.



CHIEF LAWRENCE JOSEPH

Message from the Chairperson

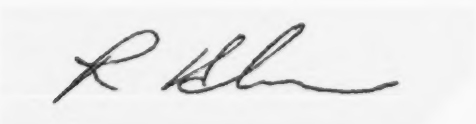
On behalf of the Board of Directors, it's an honour to submit the 2008/09 Annual Report of the Saskatchewan Indian Gaming Authority.

During the past year, SIGA maintained a strong focus on growth, reinvestment, our people and positioning ourselves for the future. I want to commend the directors, the management team and staff of the company for their ongoing guidance, enthusiasm, and understanding of what it takes to shape future growth and change at SIGA. Collectively, the efforts of these groups will ensure the success of our common vision and future growth.

We have an interesting story to tell and others are taking note. In 2008/09, SIGA entered a new market, moved into a new facility in another and grew our business in the other four locations. We are poised for more exciting change in the years to come.

The accolades continue for our company. This past year, SIGA received an ABEX award for Job Creation, received recognition as a top 15 employer in Saskatchewan and took home top honours at the Conference Board of Canada's Governance of Excellence Awards in the non-profit sector.

As stewards of SIGA, we have set out a course for the future by embarking on a new five year strategic direction. This aggressive plan will result in additional employment opportunities, revenues and economic development for First Nations. I am certainly encouraged by the organization's success and have complete confidence that we will continue to build on our achievements.



RAY AHENAKEW
SIGA Board Chair

Message from the President & CEO

At SIGA, we constantly strive to be a leading First Nations gaming organization by creating opportunities through employment, economic development and wealth generation. 2008/09 was certainly another fantastic year for SIGA as we opened two new casinos and grew the SIGA team to over 2000 members.

This past year marked the completion of four years of major capital construction that brought three new casinos to SIGA. We launched the Living Sky Casino in December and the new Painted Hand Casino in March in addition to the Dakota Dunes Casino which opened the prior year. These developments represent $125,000,000 in First Nation economic investment, 800 new jobs and will ensure SIGA will be the entertainment destination of choice for many years to come. Along the way, we also developed many valuable new organizational capacities which will serve us well in the future. I would like to thank the many employees across SIGA who took up the challenge in getting us prepared for the launch of two new casinos. These efforts clearly demonstrate a deep commitment for organizational success within the SIGA family. Each of these new developments was made possible through the contributions of our project partners: the File Hills Qu'Appelle Tribal Council (Living Sky), Yorkton Tribal Council (Painted Hand) and Saskatoon Tribal Council at the Dakota Dunes. We look forward to a long and prosperous relationship with each of our new business partners.

In addition to fulfilling our mandate in the areas of economic development and job creation, SIGA continues to generate positive revenues for our beneficiaries. We've now recorded nine straight years of growth in our financial performance becoming the 33rd largest company in Saskatchewan. In order to sustain this growth, SIGA will continue to remain focused on the customers we serve and our employees that generate our success.

For our customers, SIGA pledges to provide an exceptional experience and offer excellent entertainment value. We support this commitment through continuous investments in modern entertainment facilities, the newest products, quality food and beverage offerings and outstanding hospitality and service. I would like to thank our many customers for your ongoing support. We appreciate your patronage and your valuable feedback so we can serve you even better in the years to come.

As an employer, we are committed to reinvesting in our people and providing them with a positive engaging work environment. This past year, we were very proud to receive recognition as a Top 15 Employer in Saskatchewan.

At SIGA, we place a high priority on being a responsible corporate citizen and keeping gaming enjoyable and sustainable for everyone for the long term. As a proudly owned and operated First Nations company, SIGA will continue to honour and respect its values by conducting our business with integrity, developing good relations and giving back to the communities where we live and work. In 2008/09 we once again invested $1.3M back into Saskatchewan First Nations and communities by way of the SIGA community relations sponsorship program, benefitting numerous large and small events. This investment is on top of the 100% of gaming profits we turnover annually to our beneficiaries, the First Nations communities of Saskatchewan and the communities we operate in. SIGA also recognizes the importance of providing gaming as an enjoyable and sustainable entertainment experience for our customers. In 2008/09, we made further investments in our Responsible Gaming program and we continued our support of the First Nations Addiction and Rehabilitation Foundation.

Our success at SIGA is directly aligned with the governance foundation that supports and gives direction to our organization – the Board of Directors. In February of this year SIGA received national recognition for governance excellence at the 2009 Conference Board of Canada/Spencer Stuart National Awards in Governance. SIGA was the winner in the non-profit category. This award is very gratifying for our board who have worked hard to set the bar in the area of corporate governance.

This past year we have clearly demonstrated why SIGA is one of Saskatchewan's leading companies. I would like to thank the board, management and staff for your contributions to our success at SIGA. Together, we will continue to make sound investments to ensure a brighter future for tomorrow's First Nations families.

Best Regards

ZANE HANSEN

Operational Highlights

The Saskatchewan Indian Gaming Authority (SIGA) operates six First Nations owned casinos in Saskatchewan. The casinos feature over 1,800 slot machines; 52 live table games; a full line of food and beverage services and a live entertainment stage in each facility. In addition, the casinos provide their own unique brand of First Nations hospitality and service.

SIGA's intent with each casino is to design a modern facility that reflects the region, the people and First Nations tradition. SIGA continues to build and design casinos with features that are rooted in First Nations culture and natural elements reflecting the area.

1800
SLOT MACHINES

52
LIVE TABLES

Capital Reinvestment

The Saskatchewan Indian Gaming Authority has undergone a period of tremendous growth and expansion. The company concluded a $125M capital reinvestment program in 2008/09, the largest investment in SIGA's history. This expansion included the construction of two new modern casinos in 2008/09 in Swift Current and Yorkton and the $60M Dakota Dunes Casino project completed last year. It has resulted in new career opportunities and an increase in revenues.

SIGA opened the $35M Living Sky Casino in Swift Current on December 28, 2008 and on February 14, 2009 opened Sky Centre, a multi-purpose entertainment facility. SIGA's sixth casino is conveniently located on the south service road along the Trans Canada highway and will serve the large southwest Saskatchewan market.

After 13 years in downtown Yorkton, the $30M Painted Hand Casino moved into its new modern facility on March 11, 2009. The new building is conveniently located on Broadway Avenue across from Gallagher Centre. The facility will expand on a well established patron base.

$125M
CAPITAL REINVESTMENT

$35M
LIVING SKY CASINO

$30M
PAINTED HAND CASINO

Building Capacity

As a result of SIGA's reinvestment program, 800 new jobs have been created through expansion since 2007. The number of employees increased to 2,110 (March 31, 2009). Overall, SIGA employs 1,359 First Nations people or 65% of the total staffing complement, making the company the largest employer of First Nations people in the country.

Meanwhile, SIGA is proud to report the turnover percentage fell by 2.17% from the previous year. This is a key indicator that the retention strategy is having a positive impact on how employees view the company and their decision to choose SIGA as their employer of "first choice".

SIGA Human Resources conducted a host of learning events in 2008/09 with most of the 5,723 events relating to training new employees at the Living Sky Casino in Swift Current. SIGA remains committed to developing its employees by investing in its people through a variety of learning opportunities.

2110
EMPLOYEES

65%
FIRST NATIONS

Entertaining Saskatchewan

Providing guests with an outstanding First Nations hospitality and entertainment experience is one of SIGA's corporate goals. In order to achieve this goal, SIGA has developed a comprehensive marketing strategy which includes a variety of promotions and activities. This will ensure that SIGA casinos continue to provide outstanding entertainment value for our guests.

In an effort to produce consistent branding, new marquis signs were installed at all six casinos this past year. In addition, SIGA's signature tipi lights were completed at all the casinos. Other improvements and reinvestments will continue well into the future.

Promotions and Prizes

Exciting giveaways, prizes, and jackpots have become a hallmark of SIGA casinos. In 2008/09, the area wide progressive table games (a SIGA signature) continued their success along with Smoke Signals slot machine progressive jackpots and a SIGA wide Poker Championship. The winner received $100,000 cash and a seat at the 2009 World Series of Poker in Las Vegas. Some of this year's lucky winners were thrilled to receive his and hers Harley Davidson motorcycles at Dakota Dunes Casino, a 2009 GMC Canyon truck at the Bear Claw Casino, a truck and trailer at Gold Eagle Casino, an RV at Northern Lights, a 2009 Pontiac G6 at Living Sky Casino, and $20,000 in Flurries of Cash at the Painted Hand Casino. The Dakota Dunes Casino gave over $90,000 in cash and prizes in its Sizzling Summer promotion, including many exciting prizes such as a hot tub, sauna, barbecues, an outdoor pool, patio set and much more.

20K
VALET PATRONS

174K
SHUTTLE PATRONS*

Transportation Services

There has been a significant increase in the use of SIGA transportation services this past year. Motor Coach tours provide seasonal motor coach packages, appreciation parties and advertising cooperatives with busing companies. This service brings in more than 14,500 guests to SIGA casinos proving to be a successful and valuable service.

Over 20,000 guests utilized the valet service and an estimated 174,000 used the shuttle service in 2008/09. So far, these services have been implemented in three out of six casinos. SIGA will be taking the opportunity to expand its services into its other markets in the near future.

3.6M
VISITORS

178K
CLUB MEMBERS

Player Loyalty

Player loyalty remains very strong at SIGA. A record 3.6 million players visited SIGA casinos in 2008/09, the company's most successful year to date. Players Club membership also grew to 178,000 from 125,000 in the past fiscal year. In addition to attractive facilities and exciting games, SIGA casinos continue to offer outstanding hospitality. This has been accomplished by developing personal relationships with guests, by making them feel welcome and valued.

Live Entertainment

It was another exciting year for live entertainment at SIGA's casinos. No other organization manages as many live entertainment venues in Saskatchewan. There are nine performance stages including our secondary lounge stages. Painted Hand Casino's new Parkland Room and Living Sky Casino Sky Centre provide top notch venues for the performers. In addition, free lounge entertainment is provided at Living Sky, Dakota Dunes and Painted Hand, much to the delight of customers.

Thousands of guests took advantage of the wide variety of shows, competitions and performances. The grand opening of the Living Sky Casino and the Sky Centre brought the legendary Mr. Wayne Newton all the way from Las Vegas to entertain a sold-out crowd. Country music star Mark Chesnutt played for the grand re-opening of the Painted Hand Casino. SIGA casinos held some fierce competitions in the first Dakota Dunes Idol and in the return of Bear Claw Idol and Painted Hand Idol. Guests also had the opportunity to take in performances by Cirque Sublime, Nazareth, Allen Frew, Nitty Gritty Dirt Band, Wide Mouth Mason, Lisa Brokop and Kenny Shields, just to name a few.

Country, classic rock and tribute groups continued to be favourite genres though patrons also came to take in blues acts, comedians and celebrity appearances. Country music veteran George Fox was presented at five Casinos as was a First Nations Music Showcase featuring Leela Gilday, George Leach and Derek Miller. SIGA also secured top name performers at a preferred rate by coordinating bookings for more than one venue; Carol Burnett co-star Vicki Lawrence, The Kentucky Headhunters, Cajun King Jo'El Sonnier and Grand Ole Opry legend Bill Anderson.

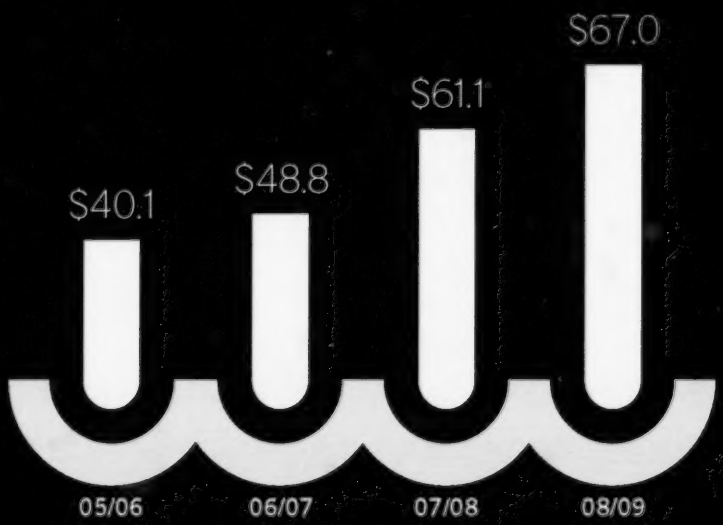
Customers now have the convenience of purchasing event tickets online, thanks to the implementation of a ticketing system managed by SIGA employees. Ticket sales for Dakota Dunes, Living Sky and Painted Hand Casinos are now distributed through a virtual SIGA Box Office online, as well as at on-site locations. SIGA's clientele will soon be able to review all casino entertainment offerings and purchase tickets on one web site.

SIGA PROFIT DISTRIBUTION

50%
First Nations Trust Fund

25%
Community Development Corporations

25%
Provincial General Revenue Fund



SIGA ANNUAL PROFITS (IN MILLIONS)

Social Responsibility

The guiding principle "Witaskêwin" relates to sharing the land or sharing resources and this is SIGA's way of giving back to the communities where we live and operate. SIGA's community relations sponsorship program provides a $1.3M annual investment into charitable and non-profit based organizations in Saskatchewan.

In 2008/09, SIGA contributed to hundreds of community organizations including: Prince Albert Parkland Health Region, Saskatchewan Conservation Learning Centre, First Nations University Pow Wow, Regina Aboriginal Kin Club, Saskatchewan Epilepsy, Qu'Appelle Valley Friendship Centre, Swift Current Agriculture and Exhibition Association, John Davies Christmas Hamper Program, Saskatchewan First Nations Winter Games, Yorkton Big Brothers/Big Sisters, and many others. The Saskatchewan Indian Gaming Authority was the proud title sponsor of Team Saskatchewan at the North American Indigenous Games in Cowichan, British Columbia.

SIGA continues to make a positive impact through its investment in its targeted sectors. With a focus on youth, SIGA continues to make a difference in the quality of life for the socially, physically and economically disadvantaged as well as those with special needs.

Education/Training/Health	20% 2008 TARGET	21% 2008 ACTUAL
Elders/Youth	20% 2008 TARGET	21% 2008 ACTUAL
Employment/Business/Tourism	25% 2008 TARGET	21% 2008 ACTUAL
First Nations Culture/Tradition	20% 2008 TARGET	19% 2008 ACTUAL
Sports & Recreation	15% 2008 TARGET	19% 2008 ACTUAL

Corporate Volunteer Program

In 2008/09, SIGA has developed an employer supported volunteer program. It will be piloted at two locations in the upcoming fiscal year: Northern Lights Casino and Living Sky Casino formalizing its support of community initiatives by developing an employee owned and driven volunteer program.

SIGA First Nations Scholarship Program

The SIGA Scholarship Program provides opportunities to encourage education and continued learning. SIGA's inaugural First Nations Scholarship Awards was successfully implemented with the selection of 14 scholarship recipients. The recipients were announced October 21, 2008.

With the launch of the scholarship program, a direct marketing campaign with First Nations University of Canada and the Saskatchewan Indian Institute of Technology was implemented to increase the number of scholarship applications from First Nations students.

Responsible Gaming

As a responsible corporate citizen, SIGA has made a commitment to our customers, employees, stakeholders and suppliers to advocate the responsible use of its gaming products and to minimize the potential for harm.

During the past year, progress was made in the area of Responsible Gaming. Kiosks were launched at SIGA casinos, which provide education and awareness for casino guests. Kiosk training was held for guest services at all SIGA properties.

Responsible Gaming Training was made available for all staff. Level one and two training was held in February at all casino locations. In addition, SIGA held discussions with the Canadian Responsible Gaming Council to develop a partnership.

Our proactive approach to responsible gaming includes:

- staff awareness and training on problem gambling;
- promoting available services;
- providing information and resources materials;
- Responsible Gaming kiosks which provide information in an interactive format, so customers can make informed gaming decisions;
- $2.25 million allocated annually to the First Nations Addictions Rehabilitation Foundation (FNARF);
- SIGA entered into strategic partnerships with Manitoba Lotteries Corporation and Addictions Foundation of Manitoba.

Saskatchewan Indian Gaming Authority

The Saskatchewan Indian Gaming Authority and its family of casinos are where your friends play. The casinos provide exceptional entertainment value through the excitement of all the latest gaming products in addition to a unique brand of traditional First Nations hospitality and service.

Visitation and profitability continue to increase at SIGA casinos and as a result the organization surpassed projections in both visits and financial results. The casinos welcomed over 3.6M guests while surpassing revenues of $242M in 2008/09. This past year, SIGA completed its $125M capital reinvestment program, the largest investment since the inception of the company. This will provide our customers with an enjoyable facility to visit, while providing our employees with a comfortable working environment.

The six casinos located across Saskatchewan feature over 1,800 slot machines; 52 live table games; a full line of food and beverage services; and a live entertainment stage in each facility. SIGA's intent with each casino is to design a modern facility that reflects the region, the people and First Nations tradition. SIGA continues to build and design casinos with features that are rooted in First Nations culture and natural elements reflecting the area. In other words, each of our casinos is different and unique.

As a non-profit gaming and entertainment company, all profits are returned to the people of Saskatchewan. 50% of profits support First Nations communities – 25% supports local community development and 25% is returned to the Provincial Gross Revenue fund.

CHINESE
TREASURE

"I've worked in many places, but SIGA fully accepted me, my family and other people who were never given a chance. Now we have a place to call our own. I love my community and I love my job. I plan to retire with SIGA."

/ W. Clayton Whitebear, Surveillance Operator

Bear Claw Casino

WHITE BEAR FIRST NATION

GM / EDWARD LITTLECHIEF

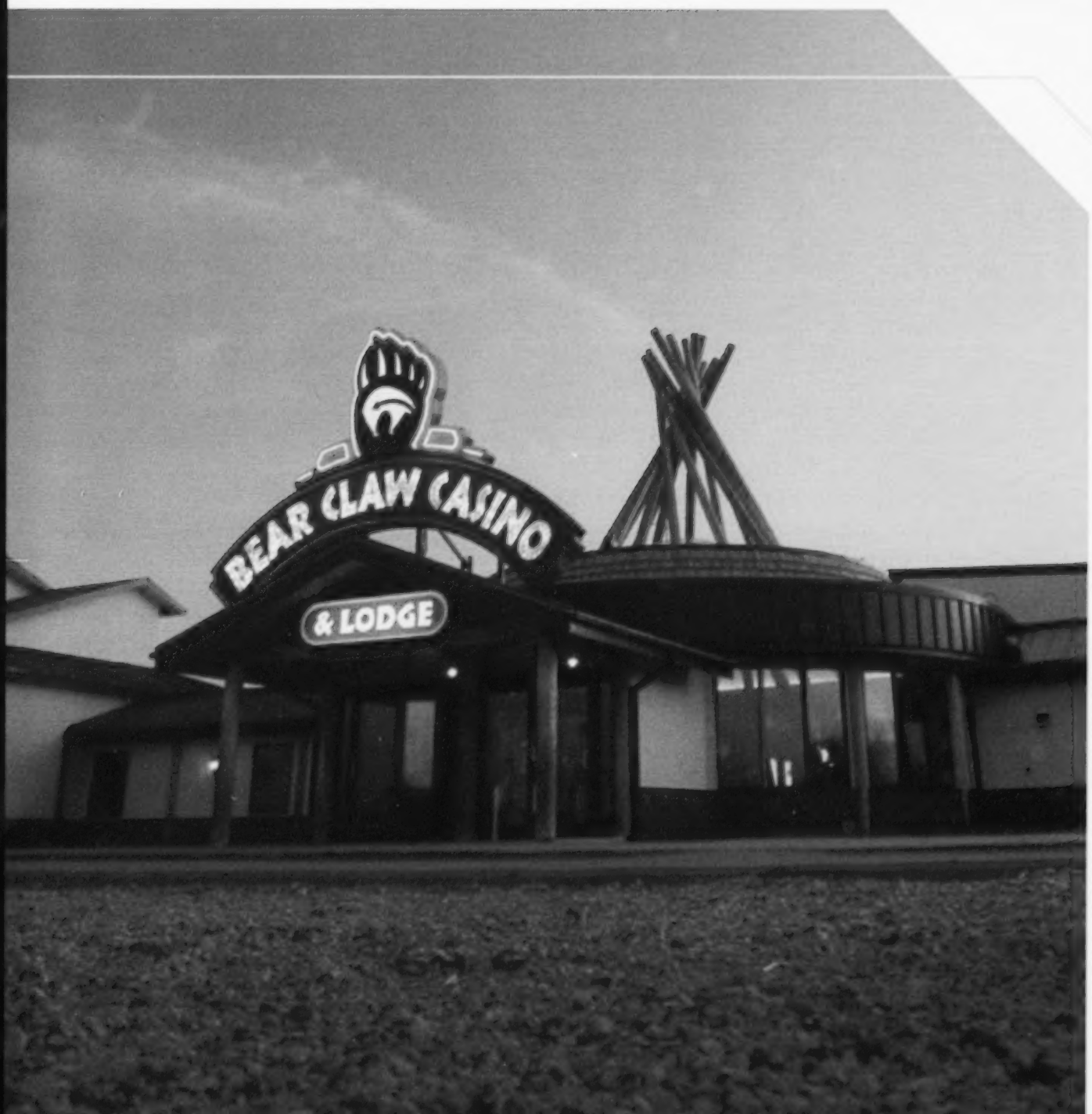
Nestled in the scenic Moose Mountain Provincial Park in southeast Saskatchewan, the Bear Claw Casino is SIGA's most historic casino. The Bear Claw originally opened in 1993 on the White Bear First Nation near Carlyle, SK. It was shut down in what was a highly contentious and emotional part of history between First Nations and the provincial government regarding gaming in Saskatchewan. The casino re-opened in November 1996 and has been successfully operating ever since.

The Bear Claw Casino includes 30,000 square feet of floor space which includes: 120 slot machines and 4 live table games: Growlers Restaurant, a live entertainment stage and Bear Necessities gift shop. The warmth and comfort of the casino will be a memory that will last a lifetime.

2008/09 was a great year for growth and development at the casino. 10 RV parking spots were developed; and the new outdoor events area opened, hosting a variety of events including: the White Bear powwow, bull riding, six concerts, and holiday events such as Canada Day (July 1st) and National Aboriginal Day. In addition, there were renovations to the kitchen, washrooms and new fixtures were installed to modernize the facility.

This past year, a feasibility study and business plan was completed and results show support for a hotel and casino, which should further drive traffic and additional customers to the area. The Bear Claw Casino is showing signs of becoming a true resort destination.

The Bear Claw Casino on the White Bear First Nation employs 140 local residents.


BEAR CLAW CASINO
& LODGE

"From a place of insecurity and instability, I now have a new home with strong, healthy roots and the beginning of a new family. SIGA has been my door to opportunity and I aim to be around for a long, long time."

/ Michelle Leniuk, Guest Services Representative

Dakota Dunes Casino

WHITECAP DAKOTA FIRST NATION

GM / GARY DANIELS

The magnificent $60M casino opened in August 2007 and is SIGA's largest casino, employing in excess of 500 people. The casino is located on the Whitecap Dakota First Nation, 20 kilometres south of Saskatoon and was a finalist for best casino design at the National Gaming Conference in Las Vegas in 2008.

The 80,000 square foot entertainment facility offers the excitement of over 500 slot machines and 14 live table games. It also provides the convenience of a deli and restaurant to whet the appetite and a fully functional multi-purpose Tatanka Tipi room which has hosted a variety of conferences and performances. Dionne Warwick, Tom Cochrane, and Nitty Gritty Dirt Band are just a few of the acts that have played the venue.

The Dakota Dunes has experienced huge growth in the number of events in the Tatanka Tipi Room. The increase is due to a large number of bookings from corporate, government and other associations for meetings and conferences. This is in addition to a large number of in-house events such as concerts, dinner shows, and wedding receptions. The number of functions per month has grown significantly from approximately 40 in 2007/08 to an average of 60 events per month in 2008/09.

This past year has been a huge success, as the casino appears to be establishing a solid market. In 2008/09, a 54 passenger bus was purchased which helped shuttle in the over 116,000 patrons to the Dakota Dunes. In addition, valet served over 17,000 patrons, while guest services processed over 20,000 new Players Club memberships.

The Dakota Dunes Casino became the first to use SIGA's new Box Office ticket purchasing system which made it more convenient for customers to purchase tickets online.

"SIGA means a strong circle of support, respect and knowledge – created by First Nations for First Nations."

/ Lisa Spyglass, Administrative Assistant

Gold Eagle Casino

MOSQUITO FIRST NATION

GM / KELLY ATCHEYNUM

Located along the Yellowhead Highway in North Battleford, Gold Eagle opened its doors in March 1996 and is one of the Battlefords areas largest employers, employing 360 local residents.

The 39,000 square feet of floor space includes a large gaming floor, featuring: 260 slot machines, 10 live table games, restaurant (Kihiw Restaurant) and multi-purpose room (Gold Ridge Centre).

The Gold Ridge Centre continues to play a major role in the casino's ongoing success, lending space for meetings, weddings, entertainment/shows, various promotions, and conferences. This venue has hosted a variety of entertainment acts in the past including Canadian rockers April Wine and Prism.

Improvements through SIGA's reinvestment program are ongoing at the casino. Improvements to the exterior of the building will continue including new awnings for the Gold Ridge Centre and front entry canopy. In the upcoming year, a new HVAC unit to improve air quality at the casino will be installed; new shuttle bus service will be added and a deli will be added to the gaming floor.

The Gold Eagle Casino employs over 350 people in the community of North Battleford.

"SIGA is all about getting along with others while providing a fun way to make a living for my family."

/ Utin Ahenakew, Guest Services Supervisor

Living Sky Casino

NEKANEET FIRST NATION

GM / LIONEL TOOTOOSIS

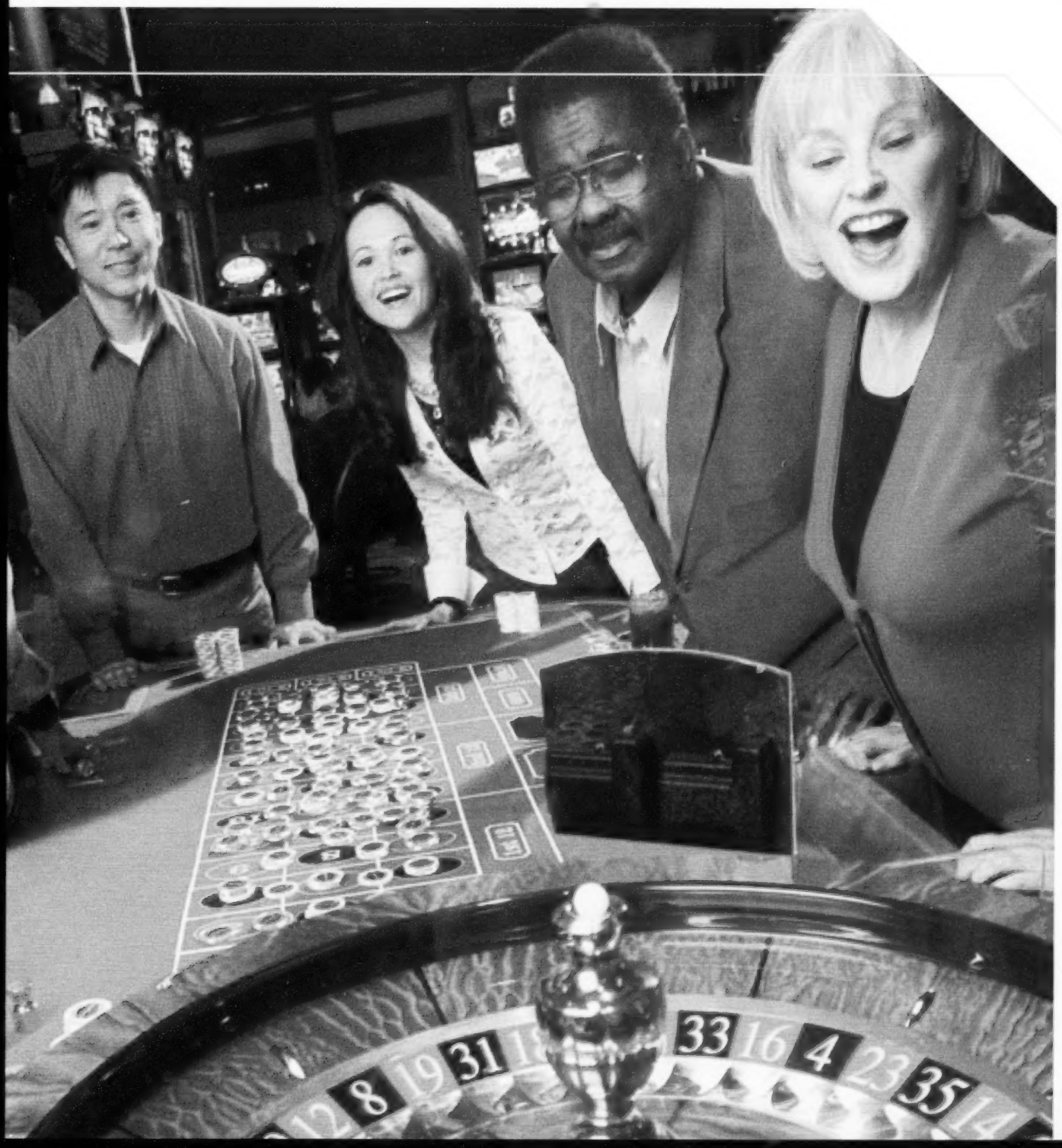
In partnership with the File Hills Qu'Appelle Tribal Council, SIGA entered its sixth and newest market late in 2008. The casino overcame early recruitment challenges to open on time and within budget.

The $35M casino opened to the public on December 29th in Swift Current. This new modern casino with circular gaming floor offers 225 slot machines, 6 live table games and a delicious buffet in Horizons Restaurant. Valet parking and shuttle service was also available for customers. With more than a million cars passing through annually, the casino is conveniently located along the Trans Canada highway.

In partnership with the community, the Living Sky Casino opened the state-of-the-art performing arts and entertainment centre known as "Sky Centre" in February. The casino played host to the legendary Wayne Newton on February 24th as part of its official grand opening ceremonies. The Sky Centre has been a welcome addition and has been well received by the community.

The Living Sky casino employs over 300 local people in Swift Current and has become one of the city's largest employers. Casino staff have immersed themselves in the community, assisting with local events and organizations.

Open December 29, 2008



"SIGA is like one big extended family. We laugh together and even cry together. It's a place for belonging; nobody feels like an outsider. There's always a helping hand or a friendly smile to get you through the day. SIGA is more than a company, it's a way of life."

/ Tanya Turner, HR Administrative Assistant

Northern Lights Casino

PETER BALLANTYNE FIRST NATION

GM / RICHARD AHENAKEW

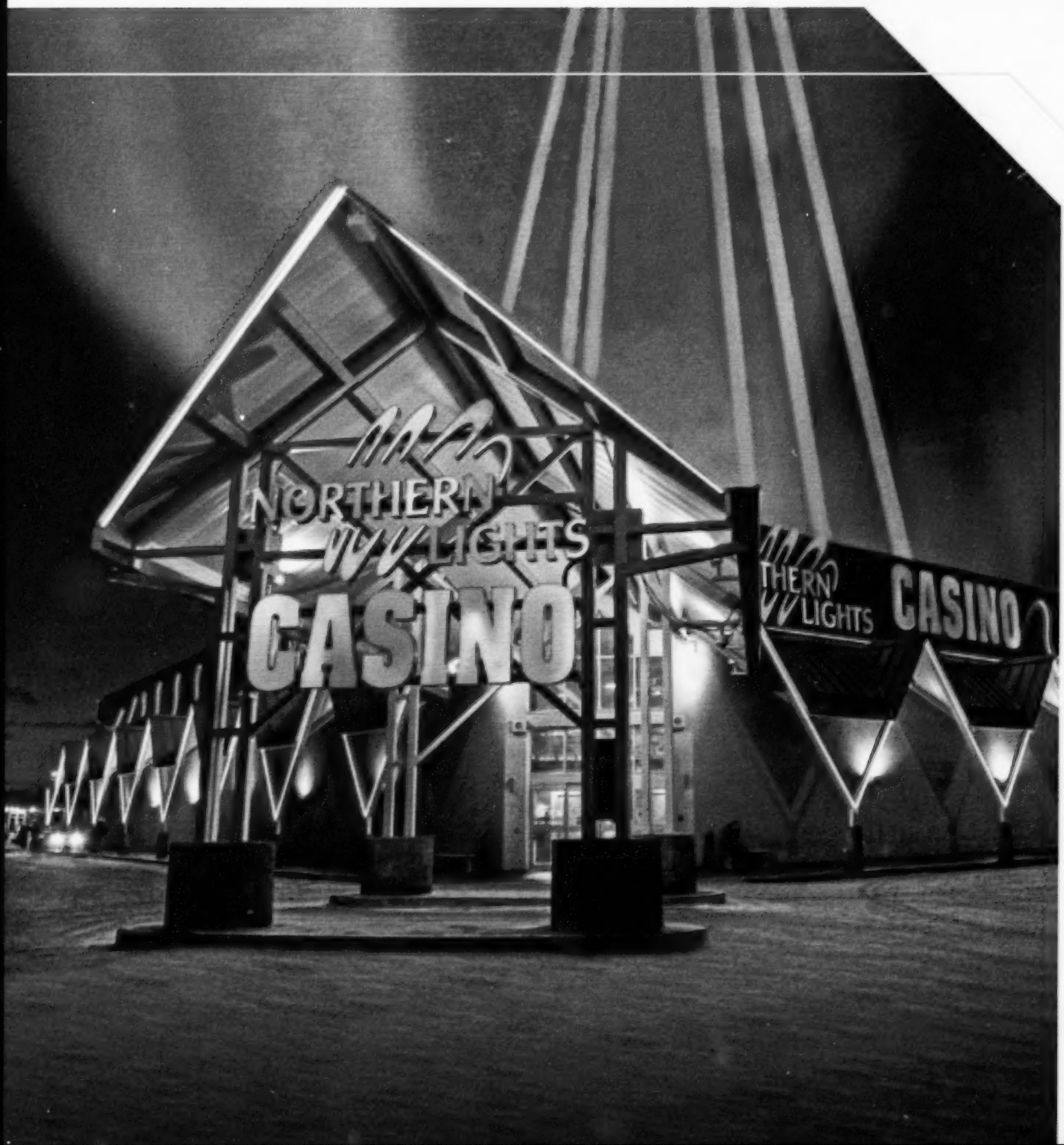
The Northern Lights Casino is one of the primary entertainment destinations in western Canada. Located in what is known as the gateway to the north, the casino boasts over 450 slot machines and the excitement of 11 live table games.

The 42,000 square foot facility offers a large gaming floor, the North Star restaurant and Star Light lounge. Various well-known artists have found their way to the live stage at the Northern Lights Casino over the past 13 years.

The Prince Albert casino opened in 1996 and has undergone a number of renovations in an effort to stay new and modern for its million plus guests who visit each year. The casino recently expanded its parking lot and made improvements to the exterior of the building. In 2009/10, a new HVAC system will be installed to improve air quality in the casino.

The Northern Lights Casino won "Nightclub of the Year" at the 2009 Saskatchewan Country Music Awards in March. It's the 3rd consecutive year the casino was presented with the award.

The casino is one of Prince Albert's largest employers with over 400 employees.


NORTHERN
LIGHTS
CASINO
THERN
LIGHTS
CASINO

"SIGA is a sense of belonging to something worth sacrificing for: a chance at a new beginning, to better one's self and life. It's being part of a First Nations business that's First Nations owned and run. And that makes me proud to be First Nation."

/ Maxwell Delorme, Slot Attendant

Painted Hand Casino

KAHKEWISTAHAW FIRST NATION

GM / CURTIS STANDING

It was an exciting year for employees and patrons of the Painted Hand Casino in Yorkton, as they said good-bye to their home of over 12 years. The move into a new $30M building was made in early March and a grand re-opening was held for invited guests on March 11th, which included a performance by country music star Mark Chesnutt.

The 43,000 square foot facility includes a large gaming floor with over 200 slot machines and 7 live table games. The uniquely sculpted circular gaming floor includes a deli, bar lounge, fabulous restaurant and multi-function facility, known as the Parkland Room. Free valet parking and shuttle service have been added to improve convenience and the overall experience for visitors.

Over the past decade, the Painted Hand Casino has become one of the top entertainment attractions in east central Saskatchewan. The casino has also been a large contributor to local events in the Yorkton area including title sponsor of the 2009 Canada Cup of Curling.

The new modern facility is a joint project with the Yorkton Tribal Council and is conveniently located across the street from Yorkton's Gallagher Centre.

1
Serving Our People

OBJECTIVES	KEY OBJECTIVES	PERFORMANCE INDICATORS	PROGRESS
1. First Nations employment	• Human Resource plans • Recruitment events • Employment programs • Succession plans	• Employ 1,000 First Nations people • 80% First Nations management	✓ 1,304 First Nations people employed ✓ Achieved
2. Better the health and well-being of SIGA's employees	• Attendance Awareness management program • Work & Family Balance Strategy • Implementation of SIGA's Health & Wellness Strategy	• 2% reduction in sick leave utilization • 2% reduction in long-term disability	✓ Attendance Awareness Program developed
3. Engage and motivate employees through meaningful work experiences and learning opportunities	• Monthly employee management meetings • Implementation of a variable pay program • Implementation of Learning Strategy	• 2% reduction in grievances • Increase in employee satisfaction rating • 2% of revenues invested in learning opportunities for employees	✓ An increase in complaints reflects more accurate and consistent reporting in data ✓ 5,723 learning events held
4. Cultivate high level of guest satisfaction	• Implement entertainment strategy • Link current data to marketing initiatives and strategies	• Benchmark guest satisfaction establishing new targets	✓ Specific targets/measures were developed for new five year strategic plan
5. Provide a unique SIGA entertainment experience and service	• Develop box offices • Create valet and shuttle service	• First Nations hospitality program	✓ Three box offices established ✓ Living Sky and Painted Hand valet/shuttle complete ✓ Focus groups, guest surveys and employee feedback conducted
6. Ensure that facilities, gaming products and ancillary services exceed guest expectations	• Continue to utilize guest satisfaction research • Ensure gaming products are refreshed and updated	• Conduct research • Meet annual target of 20% slot replenishment • 100% cashless service/slot operations (TITO)	✓ 20% slot replenishment complete ✓ Ticket In – Ticket Out conversion complete in August

2

Growing Our Business and Supporting First Nations Business

OBJECTIVES	KEY OBJECTIVES	PERFORMANCE INDICATORS	PROGRESS
1. To increase profits in existing operations	• Benchmark efficiencies and performance indicators • Implement new technology to improve customer service, employee productivity and to measure performance	• Meet or exceed annual revenue budgeted forecast • Research and develop industry related benchmarks • Establish and meet benchmarks • Increase patronage	✓ Revenue increase to $242M ✓ Ongoing ✓ Benchmarks established and met ✓ Increased visits & Player Club memberships
2. To continue casino expansions	• Utilize market research to identify potential for market growth • Develop and execute Living Sky Casino project	• Complete Living Sky Casino on schedule and on budget • Rebuild the Painted Hand Casino • Rebuild Gold Eagle Casino	✓ Opened Living Sky Casino as scheduled ✓ Painted Hand opened March 11 ✓ Preliminary meetings/ discussions
3. To develop new business lines	• Explore business opportunities in hospitality, entertainment, consulting and other viable options	• Operate effective entertainment centres • Share gaming expertise with others in the gaming and entertainment fields • Research and develop new lines of business	✓ Standardized procedures developed and being implemented ✓ Met with groups in other jurisdictions to discuss gaming opportunities ✓ Ongoing
4. To build SIGA's capacity for slot operations	• Proceed with joint implementation task force as per casino operating agreement	• Implement targets • Develop new information technology applications • Training for slot technicians to assume responsibilities from WCLC	✓ Targets established & implemented ✓ JDE software and programming introduced and implemented ✓ Transition strategy being defined
5. Utilize First Nations capital assets	• Develop long-term strategic partnerships with First Nations businesses, educational institutions and other organizations • Implement and maintain a First Nations procurement strategy	• Increase the number of First Nations suppliers and dollars spent • Execute partnerships with First Nations educational institutions	✓ "Road show" introduced by procurement to increase awareness of business opportunities ✓ Ongoing

3
Demonstrating Integrity and Transparency

OBJECTIVES	KEY OBJECTIVES	PERFORMANCE INDICATORS	PROGRESS
1. To sustain compliance with the provincial auditor's recommendations and related to SLGA directives	• Manage and maintain compliance through effective internal controls • Develop work plans to achieve the requirements of all auditors	• Sustain compliance with benchmarks • Achieve 95% compliance as tested by SIGA's internal auditor	✓ Achieved ✓ Achieved
2. To develop an Enterprise Risk Management process to identify and manage risk	• Establish a process to assess and profile risk • Apply method of creating and utilizing risk mitigation strategies	• Compliance with the Risk Management policy • Higher relative rewards for risks taken	✓ Ongoing ✓ Ongoing
3. To achieve and maintain high standard of corporate accountability through best business practices	• Ensure individual accountability by establishing and managing performance objectives • Implement a classification and retention schedule for records management system	• Implementation of governance recommendations made by the internal auditor in accordance with the Canadian Institute of Charter Accountants • Effective management of corporations physical records	✓ Recognition by Conference Board of Canada ✓ Centralized records system developed and ongoing
4. To implement a corporate wide performance measurement method	• Implement the balanced scorecard method throughout the organization	• The development of functional area balanced scorecards	✓ Targets established & implemented ✓ JDE software and programming introduced and implemented ✓ Transition strategy being defined

4
Enhancing Corporate Relations

OBJECTIVES	KEY OBJECTIVES	PERFORMANCE INDICATORS	PROGRESS
1. To establish effective alliances with other organizations to work collectively on common goals	• Investigate different opportunities to enhance strategic, business and educational partnerships	• Increased number of initial contacts and meetings • Increased numbers of partnerships	✓ Achieved ✓ Achieved
2. To achieve and maintain a strong commitment to responsible gaming	• Responsible Gaming Committee to monitor and evaluate progress of strategy • Ongoing training and development for staff	• Public opinion and analysis • Industry recognition • Research and consultation with First Nations Addiction Rehabilitation Foundation	✓ Ongoing ✓ Ongoing
3. To enhance SIGA's image as a caring organization that gives back to the community	• Maintain SIGA's image as a caring and giving organization • Improve awareness of online application process • Evaluate effectiveness of current program	• Increased number of applications • Decreased workload for employees • Benchmark sponsorship satisfaction	✓ Achieved ✓ System process improvements ✓ Ongoing
4. To build trust and support among stakeholders and the public in order to strengthen SIGA's corporate image	• Enhance internal and external communication and media relations activities • Complete economic impact analysis	• Employee satisfaction surveys • Media counts benchmarking	✓ Targets established ✓ Benchmarks established ✓ Ongoing
5. To increase involvement in the community and to support community initiatives	• Maintain and develop new relationships with business and community based organizations • Evaluate volunteer strategy • Centralize monitoring and reporting of special events and cultural events	• Increase public awareness • Increase employee volunteer rates • Consistent tracking and reporting events	✓ Name recognition increase ✓ Benchmarks established ✓ Tracking systems implemented

Key Risks

Risk Management

At SIGA, business risk is defined as the degree of exposure associated with the achievement of key strategic, financial, organizational and process objectives in relation to the effectiveness and efficiency of operations, the reliability of financial reporting, compliance with laws and regulations, and the safeguarding of assets within an ethical organizational culture.

Principal risks and uncertainties that could affect SIGA's future business results going forward is of primary concern.

Risk Management Governance Structure

Although the SIGA Board is ultimately accountable for overseeing risk management within the Authority as a whole, it has assigned responsibility to the Audit & Finance Committee to oversee the Authority's risk assessment and risk management processes. SIGA senior executive is responsible for ensuring key business risks are identified, defined and prioritized. Executive risks owners are engaged and charged with risk mitigation within limits established by the SIGA Board of Directors. This data is compiled in a corporate risk profile that is reported to the Audit & Finance Committee on a quarterly basis. Results of the quarterly risk and control assessment are incorporated into the development strategic planning processes.

Business Risks

There are a range of factors that may impact SIGA's results.
Principal risks that could negatively affect our results and performance include:

STRATEGIC

Risk to Reputation – We recognize damage to reputation as the most severe risk facing SIGA. Our efforts to mitigate reputation risks include continual building of goodwill by effective communication with stakeholders, commitment to sustainability, transparency, leading-edge corporate governance and best practices.

Economic slowdown – Changes in the economy impact the amount of disposable income people have to spend on entertainment, resulting in reduced gaming revenues. SIGA monitors the external environment and the individual performance of each property.

FINANCIAL RISK

Liquidity Risk – The risks that SIGA is unable to meet its financial commitments as they become due or can only do so at excessive costs. SIGA manages its cash resources based on financial forecast and anticipates cash flows.

Theft of Assets – We recognize the extreme importance of maintaining strong controls over the safeguarding of cash and cash equivalent, as specific to the gaming industry. SIGA manages these risks through the design of internal controls to mitigate such occurrences.

ORGANIZATIONAL AND PROCESS RISKS

Risk with loss of key personnel – SIGA recognizes the impact to the organization if there was a loss of key personnel. In order to mitigate the impact of such a loss, executive and senior management succession plans are in place.

Information Risks – SIGA recognizes information for decision making requires accurate, complete, and timely reporting of financial and operational performance. SIGA manages these risks through continual evaluation of the internal controls over financial reporting, for new and existing systems.

Deloitte.

Deloitte & Touche LLP
122 1st Ave. S.
Suite 400, PCS Tower
Saskatoon SK S7K 7E5
Canada

Tel: (306) 343-4400
Fax: (306) 343-4480
www.deloitte.ca

Auditor's Report

TO THE MEMBERS OF THE SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

We have audited the balance sheet of the Saskatchewan Indian Gaming Authority Inc. as at March 31, 2009 and the statements of gaming operations, surplus (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the SIGA's management. Our responsibility is to express an opinion on these financial statements based on the audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Saskatchewan Indian Gaming Authority Inc. as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants
July 14, 2009

Saskatchewan Indian Gaming Authority Inc

Balance Sheet

As at March 31, 2009

	2009	2008 (Restated, See Note 18)
CURRENT ASSETS		
Cash	$ 20,536,371	$ 13,914,438
Short-term investments	11,813,988	22,267,888
Accounts receivable (Note 6)	3,140,534	3,259,036
Inventory (Note 3)	619,123	482,154
Prepaids	1,997,227	1,617,660
	38,107,243	41,541,176
CAPITAL ASSETS (Note 7)	125,190,973	75,670,911
	$163,298,216	$117,212,087
CURRENT LIABILITIES		
Due to Saskatchewan Liquor and Gaming Authority (Note 8)	$ 33,353,951	$ 37,805,428
Accounts payable and accrued liabilities (Note 9)	22,683,501	16,981,862
Current portion of long-term debt (Note 10)	28,587,226	2,270,288
Current portion of capital lease (Note 11)	600,090	230,645
	85,224,768	57,288,223
LONG-TERM DEBT (Note 10)	37,027,558	42,725,991
CAPITAL LEASE OBLIGATION (Note 11)	41,045,890	16,362,028
INTEREST RATE SWAP LIABILITY (Note 4)	10,359,791	3,014,043
	173,658,007	119,390,285
COMMITMENTS (Note 12)		
CONTINGENCIES (Note 15)		
SURPLUS (DEFICIT) RESULTING FROM UNREALIZED LOSSES OF INTEREST RATE SWAPS	(10,359,791)	(2,178,198)
	$163,298,216	$117,212,087

See accompanying notes to the financial statements.

Approved by the Board

Director

Director

Saskatchewan Indian Gaming Authority Inc.

Statement of Gaming Operations

Year ended March 31, 2009

	2009	2008 (Restated, See Note 18)
REVENUE (Note 1)		
Slot	$217,668,593	$178,307,308
Table	8,856,741	7,166,629
Ancillary operations	17,174,095	13,109,517
	243,699,429	198,583,454
COST OF SALES		
Ancillary operations	10,146,074	7,618,019
Promotional allowance	6,788,185	6,386,666
NET REVENUE	226,765,170	184,578,769
EXPENSES (Note 1)		
Salaries and benefits	68,059,411	54,881,043
General and administrative (Schedule 1)	34,237,910	25,652,779
Other operating (Schedule 2)	25,256,034	20,916,645
Advertising, promotion and sponsorships	24,595,113	15,525,028
Building repairs and maintenance	2,189,399	1,900,863
Payment to Indigenous Gaming Regulators Inc. (Note 12)	2,607,128	2,925,230
Payment to Saskatoon Prairieland Park Corporation (Note 12)	2,600,004	1,670,432
	159,544,999	123,472,020
INCOME DUE TO SASKATCHEWAN LIQUOR AND GAMING AUTHORITY (Note 1)	67,220,171	61,106,749
UNREALIZED LOSS ON INTEREST RATE SWAPS (Note 10)	(7,345,748)	(3,014,043)
NET INCOME BEFORE DISTRIBUTION TO SASKATCHEWAN LIQUOR AND GAMING AUTHORITY (Note 1)	$ 59,874,423	$ 58,092,706

See accompanying notes to the financial statements.

Saskatchewan Indian Gaming Authority Inc.

Statement of Surplus (Deficit)

As at March 31, 2009

	2009	2008 (Restated, See Note 18)
SURPLUS (DEFICIT)		
Balance, beginning of year	$ (2,178,198)	$ –
Distributions to Saskatchewan Liquor and Gaming Authority in excess of net income (Note 1)	(8,181,593)	(2,178,198)
Balance, end of year	$ (10,359,791)	$ (2,178,198)

Saskatchewan Indian Gaming Authority Inc.

Statement of Cash Flows

Year ended March 31, 2009

	2009	2008 (Restated, See Note 18)
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Net income before distribution to Saskatchewan Liquor and Gaming Authority (Note 1)	$ 59,874,423	$ 58,092,706
Items not involving cash:		
Amortization	9,031,116	5,491,638
Unrealized loss on interest rate swaps (Note 10)	7,345,748	3,014,043
Gain on disposal of capital assets	–	(19,203)
Change in non-cash operating working capital:		
Accounts receivable	118,502	(2,696,139)
Inventory	(136,969)	(197,907)
Prepaids	(379,567)	(268,252)
Accounts payable and accrued liabilities	5,701,639	373,441
Payments to Saskatchewan Liquor and Gaming Authority (Note 8)	(72,507,493)	(52,339,507)
	9,047,399	11,450,820
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Repayment of bridge financing	–	(20,000,000)
Long-term financing advanced	22,928,916	44,996,279
Capital reserve (Note 1)	–	5,000,000
Repayment of capital lease obligation	(469,829)	(364,881)
Repayment of long-term debt	(2,310,411)	(21,906)
	20,148,676	29,609,492
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Purchase of capital assets	(33,028,042)	(18,858,467)
Proceeds on disposal of capital assets	–	27,760
	(33,028,042)	(18,830,707)
INCREASE (DECREASE) IN CASH POSITION	(3,831,967)	22,229,605
CASH POSITION, BEGINNING OF YEAR	36,182,326	13,952,721
CASH POSITION, END OF YEAR	$ 32,350,359	$ 36,182,326
Cash consists of:		
Cash	$ 20,536,371	$ 13,914,438
Short-term investments	11,813,988	22,267,888
	$ 32,350,359	$ 36,182,326
Supplemental Information:		
Cash interest paid	$ 4,807,170	$ 3,243,568

See accompanying notes to the financial statements.

1. General Information

Saskatchewan Indian Gaming Authority Inc. ("SIGA") is incorporated under the *Non-profit Corporations Act, 1995* of Saskatchewan as a Charitable Corporation. The Federation of Saskatchewan Indian Nations ("FSIN") owns the only issued Class A Membership in SIGA. Class B Memberships in SIGA were issued to each of ten Tribal Councils in Saskatchewan that are recognized by the Saskatchewan Indian Gaming Commission of the FSIN as well as one independent member. The Government of Saskatchewan and the FSIN made a Framework Agreement in 2002 that authorizes SIGA to operate casinos. SIGA operates six casinos in accordance with the 2002 Casino Operating Agreement ("Agreement") with Saskatchewan Liquor and Gaming Authority ("SLGA"). SLGA is responsible for the overall conduct and management of the slot machines in those casinos as required under *The Criminal Code of Canada*. Under the Agreement, SIGA is entitled to withhold the casinos' operating expenses, incurred in accordance with the operating policies and directives approved by SLGA, from slot machine revenues. SIGA is required to deposit the remainder into a trust account for SLGA in accordance with the procedures and formulas specified in the Agreement as outlined below. Under the Agreement, SIGA is entitled to recover, in any year, any net loss from the operation of licensed table games and ancillary operations from the net income earned from the operation of slot machines. The Agreement provides for SIGA to use any net income from the operation of licensed table games for charitable or religious objects or purposes. The Agreement expires on June 10, 2027.

The Agreement also provides for SIGA to remit to SLGA the net income from the operation of the slot machines in the SIGA casinos. More specifically, net income from the operation of slot machines is remitted to SLGA in accordance with a formula as defined in the Agreement. This formula provides for SIGA to remit to SLGA, on a weekly basis, one-half of the amount by which actual slot machine gaming revenue exceeds one-fifty-second of SIGA's annual budget. Shortfalls in weekly slot machine gaming revenue as compared to budget are recoverable against future remittances. The remaining one-half of the amount determined above is remitted to SLGA within one hundred and eighty days of the applicable week. Pursuant to the Agreement, if, at the end of any operating year, SIGA has not been fully reimbursed for amounts to which it is entitled for the operation of casinos, such amounts may be recovered from future operations. SIGA is allowed to retain $5,000,000 as a capital reserve for the sole purpose of acquiring capital assets.

Also, under the Agreement, SIGA has granted a first charge security interest on all its present and after acquired assets to SLGA to secure contractual obligations of SIGA under the Agreement. However, the Agreement requires that upon joint written request by SIGA and its lenders, SLGA shall postpone such security in favour of the lenders who require a prior charge relating to funds lent to SIGA for the financing of its operations carried out in accordance with the Agreement.

On June 11, 2002, the Government of Saskatchewan and the FSIN signed a new gaming Framework Agreement which expires on June 10, 2027. The Government must distribute, in accordance with the provisions of the Framework Agreement, the income remitted to SLGA. Under the provisions of the 2002 Framework Agreement, the Government of Saskatchewan, as represented by the Minister responsible for SLGA, is entitled to recover its proportion of expenses that SLGA determines are not in accordance with the approved operating policies and directives from the future amounts payable to the First Nations Trust Fund.

Effective for the year ended March 31, 2008 and subsequent years, the Casino Operating Agreement between SLGA and SIGA has been amended to exclude unrealized gains and losses on interest rate swaps from the calculation of net casino profits payable to SLGA.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The following is a summary of significant accounting policies:

Inventory

Inventory is recorded at the lower of cost and net realizable value. The cost of inventory is determined using the most recent cost.

Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated at the year-end exchange rates. Revenues and expenses are translated at rates of exchange prevailing on the transaction dates. Translation gains and losses on foreign currency denominated monetary items are taken into income in the current year.

Capital assets

Capital assets are recorded on the balance sheet at cost. Amortization is recorded in the accounts on a straight-line basis commencing in the month the asset is put in use, at rates expected to amortize the cost of the assets over their estimated useful lives as follows:

Asset	Rate
Leasehold improvements	lesser of the useful life of the asset and term of the lease
Casino development	term of the lease
Office furniture and equipment	5 years
Security equipment	5 years
Signage and interior design	5 years
Gaming tables and equipment	5 years
Restaurant equipment	5 years
Coin handling equipment	5 years
Automobiles	4 years
Computer equipment	5 years
Artwork	5 years
Computer software	1 year
Casino pre-operating costs	5 years

Slot and table revenues

Slot and table revenues represent the net win from those gaming activities calculated as the difference between amounts wagered and prizes paid by the casino. Slot and table revenues are net of accruals for anticipated payouts of progressive jackpots.

Commitment of net proceeds of table operations

Liabilities are recorded when amounts to be distributed are approved by the Board of Directors.

2. Significant Accounting Policies (continued)

Allocation of expenses

Table operations

Costs allocated to table operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross table revenue to total revenue on an individual casino site basis.

Central office costs are allocated to table operations based on a percentage of gross table revenue to total revenue. These central office costs are then allocated to each casino site based on the percentage of each casino site's table net income to all casinos' table net income before the allocation of indirect site expenses.

Slot machine operations

Costs allocated to slot machine operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross slot revenue to total revenue on an individual casino site basis.

All remaining central office costs net of table games and ancillary allocations are allocated to slot operations. These central office costs are then allocated to each casino site based on the percentage of each casino site's slot net income to all casinos' slot net income before the allocation of indirect site expenses.

Ancillary operations

Costs allocated to ancillary operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross ancillary revenue to total revenue on an individual casino site basis.

Central office costs are allocated to ancillary operations based on a percentage of gross ancillary revenue to total revenue. These central office costs are then allocated to each casino site based on the percentage of each casino site's ancillary net income to all casinos' ancillary net income before the allocation of indirect site expenses.

Promotional allowance

SIGA offers a customer loyalty program to its patrons. As part of the program, members accumulate points based on amounts wagered on slot machines. Members can redeem their points for cash. SIGA records the points accumulated as a liability and a promotional allowance.

Pension expenses

SIGA's matching contributions to the defined contribution pension plan for employees are recorded as expenses are incurred.

Short-term investments

Short-term investments consist of investments in a Canadian money market fund and two guaranteed investment certificates. The first guaranteed investment certificate earns interest at an annual rate of 2.75% and matures on October 2, 2009. The second guaranteed investment certificate earns interest at an annual rate of 1.01% and matures on March 25, 2010.

Use of estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates that affect the reported value of assets and liabilities and the disclosure of contingent liabilities and commitments at the date of the financial statements and the amounts of revenues and expenses for the year then ended. Significant items subject to estimates include the carrying amounts of capital assets and underlying estimations of useful lives, certain accrued liabilities, and the derivative liability. Actual results could differ from those estimates.

2. Significant Accounting Policies (continued)

Income taxes

SIGA was incorporated under The Non-Profit Corporations Act of Saskatchewan and is not subject to income tax under the provision of paragraph 149(1)(l) of the Income Tax Act.

SIGA also pays Goods and Services Tax and Provincial Sales Tax to government agencies and claims input tax credits on its ancillary operations.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Cash is classified as held-for-trading and is recorded at fair value. Short-term investments are classified as held-for-trading and are recorded at fair value. Cost approximates fair value for these short-term investments. Accounts receivable are classified as loans and receivables and are recorded at amortized cost. Amortized cost approximates fair value due to the short-term nature of these instruments. Accounts payable and accrued liabilities are classified as other liabilities and are recorded at amortized cost. Due to SLGA is classified as other liabilities and is recorded at amortized cost. Amortized cost approximates fair value due to the short-term nature of these instruments. Long-term debt is classified as other liabilities and is recorded at amortized cost. Fair value information is disclosed in Note 10. In order to manage its interest rate risk exposure, SIGA entered into separate interest rate swap arrangements for the Dakota Dunes, Living Sky and Painted Hand construction projects on December 12, 2007. These arrangements fixed the interest rates for the loan for each construction project at 4.94%, 5.09% and 5.09% respectively over the term of the loans.

These interest rate swaps are classified as held-for-trading and are recorded at fair value. SIGA does not have any outstanding contracts or financial instruments with embedded derivatives that are required to be separately valued. Regular way purchases and sales of financial assets are accounted for at their trade date.

Recent accounting pronouncements

Effective April 1, 2008, SIGA adopted Canadian Institute of Chartered Accountants ("CICA") Handbook Sections 3862 – Financial Instruments – Disclosures, and 3863 – Financial Instruments – Presentation. These sections replace the existing CICA Handbook Section 3861 – Financial Instruments – Presentation and Disclosure. Section 3862 provides standards for disclosure of the risks arising from financial instruments to which SIGA is exposed, and how the risks are managed by SIGA. Section 3863 provides standards for the presentation of financial instruments and non-financial instrument derivatives. As these standards only address disclosure and presentation requirements, there is no impact on SIGA's operating results.

Effective April 1, 2008, SIGA adopted CICA Handbook Section 1535 Capital Disclosures. This section requires disclosure of information related to the objectives, policies and processes for managing capital, and particularly whether externally imposed capital requirements have been complied with. As this standard only addresses disclosure requirements, there is no impact on SIGA's operating results.

Effective April 1, 2008, SIGA adopted CICA Handbook Section 3031 Inventories. The new recommendations establish standards for the determination of the cost of inventories and the subsequent recognition as expense, including any write-down to net realizable value and reversals of previous write-downs for increases to net realizable value. There is no material impact on SIGA's operating results as a result of implementing the new recommendation.

In February 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises will be required to adopt International Financial Reporting Standards ("IFRS") in place of GAAP for interim and annual reporting in the fiscal year beginning on or after January 1, 2011, including comparative figures for the prior year. SIGA has not yet commenced an IFRS conversion project and therefore, the impact on SIGA's future financial position and results of operations is not reasonably determinable.

3. Inventory

Inventory totalling $10,146,074 was recognized as cost of sales for the year ended March 31, 2009 (2008 – $7,618,019). No write-downs of inventories were noted for the year ended March 31, 2009 (2008 – $nil), and there were no reversals of write-downs from previous years.

4. Uncommitted Proceeds of Table Operations

The Casino Operating Agreement provides for SIGA to use any net income from the operation of licensed table games for charitable or religious objects or purposes. Distributions of funds were made during the year as follows:

	2009	2008
Balance, beginning of year	$ –	$ –
Net loss from table operations (Note 14)	(2,066,267)	(1,105,650)
	(2,066,267)	(1,105,650)
Net loss from table operations allocated to slot operations	2,066,267	1,105,650
Amounts disbursed	–	–
Balance, end of year	$ –	$ –

5. Pension Plan

Effective April 1, 1997, SIGA established a pension plan for employees. The plan is a defined contribution plan administered by Great West Life. Substantially all of SIGA's full-time employees participate in the plan. SIGA's financial obligation is limited to matching the required amounts contributed by employees, 6% of salary, which totalled $3,924,932 (2008 – $2,322,028).

6. Accounts Receivable

	2009	2008
Accounts receivable	$ 1,491,181	$ 399,700
GST input tax credits receivable	1,569,862	1,553,391
Advances to suppliers, contractors and employees	79,491	90,514
Casino development costs receivable	–	1,215,431
	$ 3,140,534	$ 3,259,036

7. Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2009	Net Book Value 2008
Leasehold improvements	$ 32,851,830	$ 12,385,741	$ 20,466,089	$ 19,418,210
Casino development	91,638,065	4,793,819	86,844,246	35,950,090
Office furniture and equipment	7,623,142	3,217,064	4,406,078	2,663,355
Security equipment	6,427,222	2,422,005	4,005,217	2,670,511
Signage and interior design	4,431,431	2,168,420	2,263,011	1,155,749
Gaming tables and equipment	1,860,129	840,952	1,019,177	613,858
Restaurant equipment	1,821,607	1,155,994	665,613	590,156
Coin handling equipment	1,533,625	842,940	690,685	579,152
Automobiles	1,696,836	905,604	791,232	564,056
Computer equipment	3,818,818	2,169,316	1,649,502	1,620,424
Artwork	523,396	365,071	158,325	41,334
Computer software	3,937,128	1,710,405	2,226,723	367,046
Construction in progress	5,075	–	5,075	9,436,970
	$158,168,304	$ 32,977,331	$125,190,973	$ 75,670,911

Construction in progress represents costs incurred for capital projects under construction at new and existing casinos. Upon completion, these costs are transferred into the appropriate capital asset category.

Included in casino development above are the following assets under capital lease:

	Cost	Accumulated Amortization	Net Book Value 2009	Net Book Value 2008
Base Building Costs				
Painted Hand Casino	$ 9,523,136	$ –	$ 9,523,136	$ –
Living Sky Casino	16,000,000	267,434	15,732,566	–
Dakota Dunes Casino	16,957,554	1,639,702	15,317,852	16,161,037
	$ 42,480,690	$ 1,907,136	$ 40,573,554	$ 16,161,037

8. Due to Saskatchewan Liquor and Gaming Authority

	2009	2008
Net income related to slot operations (Note 14)	$ 83,892,280	$ 72,115,563
Net loss related to table operations (Note 14)	(2,066,267)	(1,105,650)
Net loss related to ancillary operations (Note 14)	(9,398,710)	(6,143,347)
Indigenous Gaming Regulators Inc. (Note 14)	(2,607,128)	(2,925,230)
Saskatoon Prairieland Park Corporation (Note 14)	(2,600,004)	(1,670,432)
	67,220,171	60,270,904
Balance, beginning of year	37,805,428	24,874,031
Capital reserve (Note 1)	–	5,000,000
Distribution relating to prior year's loss on interest rate swaps	835,845	–
Payments to Saskatchewan Liquor and Gaming Authority	(72,507,493)	(52,339,507)
	$ 33,353,951	$ 37,805,428

9. Accounts Payable and Accrued Liabilities

SIGA is required to pay SLGA an amount equivalent to the imputed goods and services tax ("GST") that is payable by SLGA on gaming expenses incurred by SIGA related to its slot machine operations. Included in accounts payable and accrued liabilities are amounts owing to SLGA for GST of $1,484,279 (2008 – $983,701). Also, $5,592,575 (2008 – $4,739,028) is due to SLGA for slot machine and operating system reimbursement is included in accounts payable and accrued liabilities.

10. Long-term Debt

New casino projects financing

In 2007, SIGA entered into a long-term financing agreement with a financial institution ("Bank") for $79 million to finance all of its new casino projects. The Bank syndicated this financing with a secondary lender to provide SIGA with $20 million. The Bank, as the lead lender, is providing SIGA with the remaining $59 million.

SIGA is drawing on the remaining approved financing to complete the construction of new casinos. During construction of the new casinos, SIGA's interim financing from the Bank is by way of either a prime rate advance or a bankers' acceptance. During the construction phase of each project, SIGA pays interest only, on a monthly basis, based on the outstanding balance. Upon completion of construction, outstanding amounts for each project are converted to long-term loans. The final terms of the long-term loans are determined upon the completion of construction.

During the year, the Bank advanced an additional $11,913,357 related to the construction of the Living Sky Casino and $11,015,559 related to construction of the Painted Hand Casino. These loans are referred to as Construction Facility Tranche B and Construction Facility Tranche C respectively.

The long-term financing agreement is secured by a general security agreement and mortgage of leasehold interests of SIGA's casinos.

The long-term debt obligations are as follows:

	2009	2008
Construction Facility Tranche B interest only payable at prime (2.50% at March 31, 2009)	$ 15,106,887	$ 3,193,530
Construction Facility Tranche C interest only payable at prime (2.50% at March 31, 2009)	11,015,559	–
Term Loan Tranche D – Fixed Rate repayable in monthly installments of $165,355 including interest at 5.68%, maturity April 2023	19,129,712	20,000,000
Term Loan Tranche D – Floating Rate repayable in monthly installments of $116,667 plus interest at bankers acceptance rate plus 1%, maturity April 2023	20,362,626	21,802,749
	65,614,784	44,996,279
Less current portion	(28,587,226)	(2,270,288)
	$ 37,027,558	$ 42,725,991

10. Long-term Debt (continued)

New casino projects financing (continued)

Principal repayments required for the above loans are as follows:

2010	$ 28,587,226
2011	2,535,363
2012	2,596,276
2013	2,668,504
2014	2,555,712
2015 and subsequent	26,671,703

Due to the uncertainty surrounding the terms that would currently be available for debt of similar terms and maturities, fair value information has not been disclosed as fair value cannot be reliably measured.

In order to manage its interest rate risk exposure, SIGA entered into separate interest rate swap arrangements for the Dakota Dunes, Living Sky and Painted Hand construction projects on December 12, 2007. These arrangements fixed the interest rates for the loan for each construction project at 4.94%, 5.09% and 5.09% respectively over the term of the loans. These loan terms are March 2023, March 2024, and March 2024 respectively. The interest rate swap arrangements came into effect for the Dakota Dunes construction project on April 1, 2008 and will come into effect for the Living Sky and Painted Hand construction projects on April 1, 2009. A liability of $10,359,791 has been recorded at March 31, 2009 (2008 – $3,014,043), representing the fair value of the instruments. Changes to the fair value are recorded as an unrealized gain or loss in the current period. The notional amount of the interest rate swaps at March 31, 2009, were $19,716,666 for Dakota Dunes, $18,923,000 for Living Sky, and $17,900,000 for Painted Hand.

SIGA has established an unsecured $2,000,000 line of credit with a financial institution. Interest is charged on the line of credit at the financial institution's prime rate plus 1%. At March 31, 2009, no amount is owing on the line of credit (2008 – $nil).

11. Capital Lease Obligations

On December 23, 2004 SIGA entered into an agreement with STC Casino Holdings Limited Partnership, a related party, for lease of Dakota Dunes Casino on Whitecap Dakota First Nation. Beginning in April 2007, SIGA leased the property from that Partnership for approximately 20 years at an annual cost of $2,248,477.

On October 26, 2005 SIGA entered into an agreement with PHC Holdings Limited Partnership, a related party for lease of Painted Hand Casino in Yorkton. Beginning in February 2009, SIGA leased the property from that Partnership for approximately 19 years at an annual cost to be determined once the obligation is finalized.

On January 26, 2006 SIGA entered into an agreement with FHQ Casino Holdings Limited Partnership, a related party, for lease of Living Sky Casino in Swift Current. Beginning in December 2008, SIGA leased the property from the Partnership for approximately 19 years at an annual cost of $2,195,200.

11. Capital Lease Obligations (continued)

The minimum lease payments under the capital lease obligation are as follows:

	2009	2008
2010	$ 5,842,226	$ 2,248,477
2011	5,872,885	2,248,477
2012	5,872,885	2,248,477
2013	5,872,885	2,248,477
2014	5,872,885	2,248,477
2015 and subsequent	77,506,395	31,853,428
Total minimum lease payments	106,840,161	43,095,813
Amount representing interest at rates between 12.18% and 13.72%	(65,194,181)	(26,503,140)
Balance of the obligation	41,645,980	16,592,673
Less current portion	(600,090)	(230,645)
	$ 41,045,890	$ 16,362,028

Due to the related party nature of the capital lease obligation, fair value information has not been disclosed as fair value cannot be reliably measured.

12. Commitments

Leases

SIGA has obligations under operating leases for buildings, equipment and vehicles. The minimum lease payments required under these operating leases over the next five years are as follows:

2010	$ 4,409,512
2011	3,568,347
2012	3,399,610
2013	3,260,074
2014	2,976,256

The above commitments include amounts committed to related parties of $1,173,614 for years 2010 through 2014.

Slot machines

The Casino Operating Agreement requires SLGA to supply slot machines and the slot management system to SIGA for use in its casinos and for SIGA to reimburse to SLGA the cost of these machines over the estimated useful life of the equipment. Included in expenses is $13,107,879 (2008 – $11,894,319) for reimbursement of the purchase of slot machines and the slot machine management system. SIGA estimates total costs over the next five years, based on the machines currently in use, as follows:

2010	$ 9,922,000
2011	9,755,000
2012	8,339,000
2013	2,697,000
2014	604,000

12. Commitments (continued)

Sponsorships

SIGA has previously committed to providing sponsorship funding to various agencies subject to annual budget approval. Commitments for ongoing sponsorships as at March 31, 2009 is $100,000 which relates to sponsorship of the SIGA Enchanted Forest. Payment is due in November of 2009.

Letters of credit

During the year, SIGA entered into two letters of credit with First Nations Bank of Canada, $52,500 payable to the City of Swift Current, and $200,000 payable to the City of Yorkton.

Other

The Casino Operating Agreement requires SIGA, upon receiving direction from SLGA, to pay to Indigenous Gaming Regulators Inc. ("IGR") the amount of IGR's annual operating budget. SLGA has directed SIGA to pay IGR $2,911,824 for 2009-2010 (2008-2009 – $2,607,128).

SIGA entered into an agreement with Saskatoon Prairieland Park Corporation ("SPPC") regarding the maintenance of a certain level of SPPC's income when SPPC closed its casino. SIGA agreed to pay SPPC $2,600,000 annually for 30 years payable in monthly installments of $216,667. SIGA's obligation under this agreement was effective August 10, 2007.

SIGA entered into an agreement for a three year promotional event. SIGA's commitment is $150,000 per year for each year of the agreement. The agreement ends in June, 2010.

13. Related Party Transactions

Significant related parties to SIGA include the FSIN, holder of the Class A membership in SIGA, and entities related to the FSIN (including Saskatchewan Indian Institute of Technologies, National Indian Financial Corporation, the First Nations University of Canada and Indigenous Gaming Regulators Inc.). Related parties also include the Tribal Councils of Saskatchewan (and their related entities) that hold Class B memberships in SIGA. Transactions with related parties are recorded at exchange amounts agreed upon between the parties.

The following are balances outstanding with related parties at March 31, 2009 with comparison to the previous year:

	2009	2008
Accounts receivable	$ 41,343	$ 73,915
Accounts payable and accrued liabilities	162,458	557,170

Significant transactions with related parties throughout the year with comparison to the previous year are as follows:

	2009	2008
Other revenue	$ 76,556	$ 91,495
Advertising, promotion and sponsorships	1,223,754	1,699,977
Building rent and occupancy	5,306,875	1,681,709
Consulting	138,284	302,346
Other operating expenses	196,696	167,074
Travel and sustenance	40,145	32,887
Indigenous Gaming Regulators Inc. (Note 12)	2,607,128	2,925,230

Other transactions with related parties and amounts due to/from them are described separately in these financial statements and the notes thereto.

14. Segmented Information

SIGA operates in three segments – table operations, slot operations and ancillary operations. The following table shows key amounts by segment.

	Slot Operations	Table Operations	Ancillary Operations	Total 2009	Total 2008 (Restated. See Note 18)
Revenues	$217,668,593	$ 8,856,741	$ 17,174,095	$243,699,429	$198,583,454
Less:					
Promotional allowance	6,788,185	–	–	6,788,185	6,386,666
Cost of sales	–	–	6,239,509	6,239,509	5,037,708
Elimination of inter-company transactions	–	–	3,906,565	3,906,565	2,580,311
Net revenue	210,880,408	8,856,741	7,028,021	226,765,170	184,578,769
Expenses	126,988,128	10,923,008	16,426,731	154,337,867	118,876,358
Income (loss) before the following:	83,892,280	(2,066,267)	(9,398,710)	72,427,303	65,702,411
Indigenous Gaming Regulators Inc. (Note 12)				2,607,128	2,925,230
Saskatoon Prairieland Park Corporation (Note 12)				2,600,004	1,670,432
Unrealized loss on interest rate swaps (Note 10)				7,345,748	3,014,043
Net income before distribution to SLGA (Note 1 & 8)				$ 59,874,423	$ 58,092,706

15. Contingencies

SIGA enters into contractual arrangements with suppliers of services, products and facilities in the normal course of business. Contracts are subject to legal interpretation from time to time and disputes do arise. Management plans to account for such dispute resolutions in the year such disputes are settled.

In addition, various other claims and lawsuits are pending against SIGA in the ordinary course of business. While it is not possible to determine the ultimate outcome of such actions at this time, and there exist inherent uncertainties in predicting such outcomes, it is SIGA's belief that the ultimate resolution of such actions is not reasonably likely to have a material adverse effect on its financial position or results of operations.

16. Capital Disclosures

SIGA's objectives when managing capital are to ensure adequate capital to support the operations and growth strategies of the Corporation, and to ensure adequate returns to the shareholders.

SIGA funds its capital requirements through the $5,000,000 capital reserve from SLGA, internal operating activities and debt. SIGA may only borrow up to $107,260,764, which includes capital leases and long-term debt. SIGA also has an available line of credit of $2,000,000 at a financial institution.

SIGA limits the amount of risk in proportion to its capital. The initial financing option of the Dakota Dunes, Living Sky, and Painted Hand casino projects ("casino projects") was limited to variable rate loans. SIGA entered into three interest rate swap agreements to exchange the variable rate debt instruments to fixed rate loans to mitigate fluctuations in interest rates. SIGA also performs environmental scanning to determine if any factors have the potential to change the capital structure of the organization. Risk management reports are presented to the Audit and Finance Committee and Board of Directors on a quarterly basis.

16. Capital Disclosures (continued)

SIGA entered into a credit agreement with financial institutions in order to obtain financing for the casino projects. The agreement identified five financial covenants which are reported on a quarterly basis to the financial institutions. SIGA monitors its capital structure using these covenants. The financial covenants are as follows:

(a) The senior fund debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio shall be less than or equal to 2.5:1.0 for each fiscal quarter ending before or on December 31, 2008 and less than or equal to 2.0 to 1.0 for each fiscal quarter ending on or after December 31, 2008;

(b) The interest coverage ratio shall not be less than 5.0:1.0;

(c) The total debt service coverage ratio shall not be less than 2.0:1.0;

(d) The fixed charge coverage ratio shall not be less than 1.0:1.0; and

(e) The earnings before interest, taxes, depreciation, amortization and rent ("EBITDAR") coverage ratio shall not be less than 2.0:1.0.

Ratios at year-end were 1.03, 13.24, 8.34, 1.11, and 5.28 respectively. In all instances during the year ended March 31, 2009, SIGA was in compliance with the above covenants.

17. Financial Risk Management

Foreign exchange risk

SIGA faces exposure to the U.S./Canadian dollar exchange rate through the purchase of goods and services payable in the U.S. dollar. The risk is not considered significant.

Interest rate risk

Interest rate risk is the risk of financial loss resulting from changes in market interest rates. SIGA has entered into interest rate swaps which fix the interest rate on their casino project loans. At March 31, 2009, if interest rates at that date had been 100 basis points lower with all other variables held constant, net income before distribution to SLGA for the year would have been $3,581,088 lower, arising mainly as a result of higher unrealized losses on interest rate swaps, partially offset by lower interest expense on variable borrowings. If interest rates had been 100 basis points higher, with all other variables held constant, net income before distribution to SLGA for the year would have been $3,581,088 higher, arising mainly as a result of lower unrealized losses on interest rate swaps, partially offset by higher interest expense on variable borrowings.

Credit risk

SIGA does not extend credit to its gaming customers. Credit risk is limited to its accounts receivable balance which consists primarily of an insurance claim and credit extended to business entities for business functions held at the various casino locations. Credit risk is not considered significant.

Liquidity risk

Liquidity risk is the risk that SIGA is unable to meet its financial commitments as they become due or can only do so at excessive cost. SIGA manages its cash resources based on financial forecasts and anticipated cash flows.

17. Financial Risk Management (continued)

Liquidity risk (continued)

The following summarizes the contractual maturities of SIGA's financial liabilities as at March 31, 2009:

		Contractual Cash Flows				
Financial Liabilities	Carrying Amount	0 – 12 months	1 – 2 years	3 – 5 years	More than 5 years	Total
Payable to SLGA	$ 33,353,951	$ 33,353,951	$ –	$ –	$ –	$ 33,353,951
Accounts payable and accrued liabilities	22,683,501	22,683,501	–	–	–	22,683,501
Debt	65,614,784	28,587,226	5,131,638	5,224,216	26,671,704	65,614,784
Capital lease	41,645,980	5,842,226	5,872,885	17,618,655	77,506,395	106,840,161
Derivative liability	10,359,791	–	–	–	10,359,791	10,359,791
	$173,658,007	$ 90,466,904	$ 11,004,523	$ 22,842,871	$114,537,890	$238,852,188

Management believes its ability to generate funds will be adequate to support these financial liabilities.

18. Comparative Figures

The comparative figures were audited by the Provincial Auditor of Saskatchewan. Certain of the prior year's balances have been reclassified to conform with the current year's presentation.

During the preparation of the March 31, 2009 financial statements, it was determined that the fair value of SIGA's interest rate swaps at March 31, 2008 were understated by $2,178,198. As a result, the 2008 comparative figures have been restated to reflect a $2,178,198 increase to the unrealized loss on interest rate swaps and the interest rate swap liability, a $2,178,198 reduction of net income before distribution to SLGA and a deficit of $2,178,198.

Saskatchewan Indian Gaming Authority Inc.

Schedule of General and Administrative Expenses — Schedule 1

Year ended March 31, 2009

	2009	2008 (Restated, See Note 18)
Building rent and occupancy	$ 8,341,006	$ 6,802,663
Amortization	9,031,116	5,491,638
Imputed goods and services tax	4,741,057	3,966,114
Interest on capital lease obligation	2,510,382	1,758,716
Interest on long-term debt	2,290,054	1,484,852
Consulting	1,179,223	1,243,014
Legal	565,948	328,577
Software licenses and agreements	639,810	597,164
Miscellaneous	594,218	308,398
Telephone	463,759	415,885
Postage and stationary	913,578	764,494
Insurance	556,440	591,817
Staff benefits and recruitment	1,045,290	766,600
Accounting and internal audit services	539,445	379,928
Bank charges	158,125	162,603
Board remuneration and travel	594,520	490,629
Dues and subscriptions	73,939	99,687
	$ 34,237,910	$ 25,652,779

Saskatchewan Indian Gaming Authority Inc.

Schedule of Other Operating Expenses — Schedule 2

Year ended March 31, 2009

	2009	2008 (Restated, See Note 18)
Equipment lease	$ 966,835	$ 676,352
Slot machine and operating system reimbursement	13,107,879	11,894,319
Slot system maintenance reimbursement	4,661,873	3,526,019
Travel and sustenance	1,650,884	857,936
Uniforms and laundering	999,509	823,151
Departmental supplies	892,746	705,308
Printing	977,344	704,846
Other	1,034,602	673,272
Staff training	681,851	874,119
Equipment repairs	282,511	181,323
	$ 25,256,034	$ 20,916,645

SIGA Organizational Structure

Federation of Saskatchewan Indian Nations & Chiefs in Assembly

SIGA Board

- HUMAN RESOURCES COMMITTEE
- GOVERNANCE COMMITTEE
- AUDIT AND FINANCE COMMITTEE
- ETHICS ADVISORY COMMITTEE

BOARD SECRETARY
RUBY WILLIAMS

PRESIDENT/CEO
ZANE HANSEN

CORPORATE SOLICITOR
BONNIE MISSENS

SENIOR VP FINANCE AND ADMINISTRATION
HOWARD CAMPBELL

SENIOR VP HUMAN RESOURCES
ELMA SHOULAK

SENIOR VP OPERATIONS
VERN ACOOSE

SENIOR VP STRATEGY & BUSINESS DEVELOPMENT
PAUL NEWTON

VP CORPORATE AFFAIRS
PAT COOK

VP INFORMATION TECHNOLOGY
DEAN HARTLEY

VP MARKETING
VANCE MCNAB

GM BEAR CLAW CASINO
EDWARD LITTLECHIEF
White Bear First Nation
306.577.4577

GM DAKOTA DUNES CASINO
GARY DANIELS
Saskatoon
306.667.6400

GM GOLD EAGLE CASINO
KELLY ATCHEYNUM
North Battleford
306.446.3833

GM LIVING SKY CASINO
LIONEL TOOTOOSIS
Swift Current
306.778.5759

GM NORTHERN LIGHTS CASINO
RICHARD AHENAKEW
Prince Albert
306.764.4777

GM PAINTED HAND CASINO
CURTIS STANDING
Yorkton
306.786.6777

Board of Directors

Ray Ahenakew of the Ahtahkakoop First Nation was appointed Chair of the SIGA Board in January 2007. Ray was recently profiled as one of Saskatchewan's top 10 most influential businessmen and was the 2009 award winner of the Raj Manek Above & Beyond Award. He has recently stepped down as Acting President of the Saskatchewan Indian Institute of Technologies and now serves in the capacity of business development advisor. Mr. Ahenakew is currently a board member of Peace Hills Trust and has been serving on the Aboriginal Committee for the Auditor General for the past five years. Ray also served as CEO of the Meadow Lake Tribal Council for 17 years.

Vice Chief Edward Henderson of the Montreal Lake Cree Nation joined the Board in December 2005. He is past Chair of Little Red Reserve School Authority and Woodland Cree Board and currently serves on the boards of PAGC Education, Forestry, Women's Commission, Sports Culture and Recreation, Saskatchewan Indian Equity Foundation, First Nations University of Canada and the Saskatchewan Indian Education & Training Commission. Edward is currently in his second term as Vice Chief of the Prince Albert Grand Council.

Mr. LaPlante is currently in his sixth year as a SIGA Board Member, having been appointed in 2003 after serving briefly in 2000. He is also a Board Member and Chair of the Reserve Creation Committee for the First Nations University of Canada. A member of the Moosomin First Nation, Gary has a Bachelor of Arts Degree and a Business Administration Diploma. His work is primarily in Inter-Governmental Relations as a Policy Advisor and Liaison. He also dedicates time toward the Young Chipewyan First Nation Reclamation.

Isabel O'Soup of Norquay has been a board member with the Saskatchewan Indian Gaming Authority since April 2007 and is former elected Chief of the Key First Nation. She was President of Women on the Move and a member of the board for the First Nations University of Canada and the Saulteaux Healing and Wellness Centre. Chief O'Soup is also a current board member for the Sunrise Regional Health Authority.

Mr. Gerow was appointed to the SIGA Board of Directors by the Agency Chiefs Tribal Council (ACTC) in 2008. Bob, a member of the Victoire Métis Local, has worked in First Nations Education and Administration for the past 33 years. He is currently the Executive Director with the Agency Chiefs Tribal Council. Bob holds a B.A., B. ED, P.G.D. and Masters in Education.

Chief Wuttunee (B.Ed) joined the SIGA Board in 2008. He has been Chief of the Red Pheasant First Nation for the last three years and is presently the Tribal Chair for the Battlefords Agency Tribal Chiefs (BATC).

Chief Wuttunee is by trade an educator. His commitment to youth has been evident with his involvement in various youth initiatives and he continues to strive to ensure that youth are given opportunities not only in sports but other sectors as well. He is active with Elders in his community and the Cree culture, being involved in many different aspects of promoting our way of life as First Nations people.

Tribal Chief Thomas joined the SIGA Board of Directors in 2008. He was elected Tribal Chief of the Saskatoon Tribal Council in October 2008 and has sat on a variety of boards including IGC, IGR and HSDC. Tribal Chief Thomas has also participated on the committee on Health for the Assembly of First Nations. Previously, Chief of Kinistin First Nation, Felix participated on the Chiefs Committee for the Assembly of First Nations. Tribal Chief Thomas holds a Bachelor of Arts degree.

In 2008, Chief Bellerose joined the Saskatchewan Indian Gaming Authority Board of Directors. He was re-elected in February of 2009 to his third term as Chief of Muskowekan First Nation. Chief Bellerose has a Bachelor of Arts degree from Concordia University College, Edmonton and has completed a Masters program in Project Management at the University of Saskatchewan.

In 2008, Chief Standingready rejoined the Board. He was first appointed to the Board in 2003 holding the position of Chair until January 2007. Brian has held a variety of positions including Chief, council member, and band manager at the White Bear First Nation, near Carlyle. He has also served as the district representative for the Yorkton Tribal Council and has sat on numerous boards, committees and commissions. Chief Standingready was re-elected as Chief of White Bear First Nation in 2007.

Senator Roland Crowe of the Piapot First Nation joined the SIGA Board in an advisory capacity in 2009. Senator Crowe began a career in public life in the 1960's, serving two years as Councillor and six years as Chief of his home community. In the 1980's, he committed himself to work in the interests of all Saskatchewan First Nations, serving fours years as Vice Chief and two terms as elected Chief of the FSIN. One of his most notable achievements was negotiating the original gaming agreement with the province of Saskatchewan.

Corporate Governance

AUTHORITY

Under the First Nations Gaming Act, the Federation of Saskatchewan Indian Nations created the Saskatchewan Indian Gaming Authority (SIGA) on June 10, 1995. SIGA was then incorporated under The Non-Profit Corporation Act of Saskatchewan on January 11, 1996, and is designated as a charitable corporation. The FSIN owns the only issued Class A Membership. Class B Memberships are held by the Tribal Councils and independent First Nations.

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY

The Province of Saskatchewan, through the Saskatchewan Liquor and Gaming Authority (SLGA), regulates SIGA. This authority is responsible for the approval of budgets, operating policies and procedures and expansion of services. Constant dialogue takes place between the management and employees of both organizations.

OUR STRUCTURE

SIGA's gaming operations are a revenue source for the Saskatchewan's First Nations, the Provincial Treasury and for the Community Development Corporations (CDC's) situated in the six casino locations. The CDC's distribute this money to charitable and not-for-profit community organizations. Profits generated from SIGA's operations are distributed to the First Nations Trust (50% of which is distributed to Saskatchewan First Nations), the Provincial Government's General Revenue Fund (25%), and the CDCs (25%).

ROLE OF THE BOARD

The Board of Directors is responsible for the stewardship of the organization and is ultimately accountable for the management of the affairs and business of SIGA. In meeting this responsibility, the board works with management to develop and approve the organization's strategic plan, annual budgets and business plans, and ensures that a communication policy is in place. It has established terms of reference addressing its principal duties and responsibilities as a board.

While focusing on the strategic direction of the organization, the board delegates day to day operations to the President and CEO. The board has resolved to adopt a policy governance model that empowers the President and CEO and holds him accountable for achieving the board's ends directives, managing risks, and complying with the Casino Operating Agreement and Board policies. In addition, the organization has a comprehensive Delegation of Authority Policy that governs the approvals and spending authorities for all managers consistent with their responsibilities, accountabilities and budgetary allocations, and specifies those matters that require board approval: items specific to capital expenses (including renovation projects): planned over $1,000,000; and unplanned $500,000 and any property management, land and building leases. All other operating expenses and contracts over $500,000.

All of its directors are independent of management and no member of management serves as a director. The board held 12 scheduled meetings in the 2008/09 fiscal year with a number of additional meetings to deal with specific business issues.

BOARD CHAIR – RAY AHENAKEW

The Chair provides leadership by guiding the board, coordinating its activities and fostering relationships in the best interests of the organization. The Chair, while working closely with the President and CEO, retains an independent perspective to best represent the interests of SIGA, the board, and the communities they serve. The chair, on behalf of the board, reports to the FSIN Economic and Community Development Commission (ECDC) and the FSIN Legislative Assembly on the affairs of the corporation, including all business aspects of casinos owned or operated by SIGA. The Chair, in turn, reports to the Board of Directors any recommendations offered by ECDC and the Assembly. The board has delegated authority and assigned responsibility to the Board Chair for managing SIGA's relationship with the shareholders as per policy B03-012. Board Chair – Terms of Reference.

DIRECTORS

The Board of Directors was comprised of not more than nine members. The Federation of Saskatchewan Indian Nations and the Tribal Councils nominating these members (one per Tribal Council). Only individuals registered as gaming employees under *The Alcohol and Gaming Regulation Act 1997* may be members of the board.

As per the Casino Operating Agreement, SIGA having met the requirements of sustained progress, a change in the structure and composition of the SIGA board took place on January 30, 2008. The new board structure will be comprised of no more than 13 directors.

The 2008/09 Directors are as follows:

- Ray Ahenakew
- Vice Chief Edward Henderson
- Isabel O'Soup
- Gary LaPlante
- Chief Sheldon Wuttunee
- Chief Felix Thomas
- Chief Reginald Bellerose
- Chief Brian Standingready
- Robert Gerow

COMMITTEE STRUCTURE

The board may appoint any committees that it considers necessary for the efficient conduct of the affairs and business of SIGA and may prescribe the duties of any committee it appoints. It is important to note that assignment of responsibility by the board to a committee does not absolve the full board from responsibility for a committee's work or decisions. The chair is ex-officio on all committees and may attend any meeting as deemed appropriate. All committees have established terms of reference governing their conduct and mandate. The board of directors has established the following committees: Audit and Finance, Human Resources and Compensation, Ethics Advisory and Governance.

AUDIT AND FINANCE COMMITTEE – ISABEL O'SOUP, CHAIR

The Audit and Finance Committee monitors the financial performance and internal controls of SIGA, assesses risk management strategies, and acts as a liaison between the internal and external auditors and the board. This committee is responsible for the internal audit function and has retained an independent internal auditor who has unimpeded access to corporate information and reports directly to the Audit and Finance committee. The committee monitors internal controls over the financial reporting process, auditing matters and financial reporting issues. The SIGA audit is completed by the audit firm Deloitte and Touche. In addition to the statutory audit requirements, Deloitte and Touche submits management letters that contain internal control recommendations and identification of management and system control risks. Deloitte and Touche has examined the corporation's financial statements and issued an auditor's report included in this annual report. This committee met 12 times in the 2008/09 fiscal year.

HUMAN RESOURCES AND COMPENSATION COMMITTEE – FELIX THOMAS, CHAIR

The objective of the Human Resources and Compensation Committee is to assist the board of directors in meeting their responsibilities by monitoring and reviewing human resource and compensation strategies, policies and procedures. This committee met 5 times in the 2008/09 fiscal year.

ETHICS ADVISORY COMMITTEE – EDWARD HENDERSON, CHAIR

The Ethics Advisory Committee is responsible for monitoring the best practices in corporate ethics and annually reviewing the Authority's ethics policies, processes and practices to ensure that the Authority continues to exemplify high standards of corporate ethics. The committee monitors compliance with the code of conduct, conflict of interest and disclosure of wrongdoing policies on behalf of the board. This committee met 5 times in the 2008/09 fiscal year.

GOVERNANCE COMMITTEE – REGINALD BELLEROSE, CHAIR

The Governance Committee is responsible for, and reports to the board about, the corporate governance processes of the board. The Governance Committee monitors the functioning of the board and committees of the board, and recommends governance issues to be discussed by the board and committees of the board. It is also responsible for ensuring timely and complete information and decision-making at the board and committee levels. The Governance Committee is responsible to ensure annual review of the terms of reference of the board and its committees. The committee coordinates the bi-annual evaluations of the board, the board chair, committees and the director's self-assessments. The evaluations of the board and its committees is scheduled for spring 2010. The Governance Committee also oversees the annual evaluation of the CEO. The board engaged with Shercon Associates Inc., an independent third party, to conduct the evaluation of the President and CEO. This committee met 6 times in the 2008/09 fiscal year.

GOVERNANCE PRACTICES

The SIGA board has formally adopted a governance model with generally-accepted governance practices, and a suite of corporate governance policies. These policies ensure continuity of good governance practices and provide ongoing direction for the board, its committees, and management. To ensure that SIGA continues to exemplify high standards of corporate governance, it has been mandated by the board that the corporation's governance practices be monitored annually and an audit of all governance practices be conducted every three years with the most recent being completed in January 2009, by the audit firm of Prosser and Associates.

According to the audit firm Prosser and Associates, SIGA's current governance practices are consistent with the guidelines advocated in the Ontario Securities Commission National Policy 58-201. SIGA's current disclosure practices are consistent with the guidelines set out in the Ontario Securities Commission National Policy 58-101.

The board substantially complies with its corporate governance policies. Unlike a publicly held entity, SIGA is not required to comply with these policies. The corporation, however, has adopted an approach of benchmarking itself to these standards.

SIGA's alignment with the CSA Corporate Governance Guidelines is set out in the following scorecard:

CSA Corporate Governance Policy

NP58 – 201, AND DISCLOSURE INSTRUMENT, NI58 – 101FI

	SIGA's Governance Practices	Does SIGA Align?
COMPOSITION OF THE BOARD		
NP 58-201, section 3.1		
The board should have the majority of independent directors.	The directors on the SIGA board are (9 out of 9) independent. *SIGA's board composition is 13 members with only 9 of those Directors being confirmed as of this date.	Yes
NI 58-101F1, sections 1(a) and (d)		
1 (a) Disclose the identity of directors who are independent; (b) Disclose the identity of directors who are not independent and the basis for that determination; (c) Disclose whether the majority of directors are independent; and (d) Disclose whether a director is a director of any other issuer that is a reporting issuer.	Ray Ahenakew, Chair: Independent – Advisor to the Saskatchewan Indian Institute of Technologies Edward Henderson, Vice Chair: Independent – Vice Chief, Prince Albert Grand Council Gary Laplante, Director: Independent – Political and Policy Advisor Battlefords Tribal Council Sheldon Wuttunee, Director: Independent – Chief, Red Pheasant First Nation Isabel O'Soup, Director: Independent – Consultant, Key First Nation Felix Thomas, Director: Independent – Chief, Kinistin First Nation Reginald Bellerose, Director: Independent – Chief, Muskowekwan First Nation Brian Standingready, Director: Independent – Chief, White Bear First Nation Robert Gerow, Director: Independent – Director of Education, Agency Chiefs Tribal Council This criterion is met by all current board members being external directors (i.e. not managers or employees of SIGA) and by having each board member complete and sign code of conduct acknowledgement and conflict of interest disclosure forms. Test results confirmed that completed forms are on file for all directors. Section 1(d) does not apply to SIGA, as SIGA does not have share capital, and is not an issuer.	Yes
NP 58-201, section 3.2		
3.2 The Chair of the board should be an independent director who is the effective leader of the board, who ensures that the board's agenda will enable it to successfully carry out its duties.	The Chair of the board is an independent director who provides leadership in board organization, processes, effectiveness and renewal and serves as a liaison between the roles of the board, shareholders and that of President and CEO.	Yes

	SIGA's Governance Practices	Does SIGA Align?
NI 58-101F1, section 1(f)		
1 (f) Disclose whether the chair of the board is an independent director; disclose the identity of the chair and describe the role of the chair.	Ray Ahenakew assumed the Chair responsibilities in January 2007 and is an independent director. The Chair reports to the board and ultimately to the shareholders and is responsible for presiding over meetings of the board and ensuring the board discharges its fiduciary and legal responsibilities. The chair's primary duties include: • Act as a sounding board and counselor for the President and CEO, including helping to identify problems, reviewing strategy, maintaining accountability, building relationships and ensuring that the President and CEO is aware of concerns of the board and the communities the Authority serves. • Lead the board in monitoring and evaluating the performance of the President and CEO and the corporation. • Ensure that corporate strategy, plans and performance are presented to the board. • Ensure the President and CEO presents management succession and development plans at least annually and implements them. • Foster a constructive and harmonious relationship between the board and management. • Together with the President and CEO, act as a spokesperson for the Authority and oversee the Authority's interfaces with government and other stakeholders. • Ensure the board has full governance of the Authority's business and affairs and is alert to its obligations to the Authority, to the communities it serves, to management and under the law. • Provide leadership to the board; assist the board in reviewing and monitoring the policy, directions and strategy of the Authority and the achievement of its objectives. • Communicate with the board to keep it up-to-date on all major developments, including timely discussion of potential developments. • Chair board meetings and attend committee meetings, where appropriate, as ex officio member of each committee. • Ensure that the board and management clearly understand their respective roles and respect the boundaries between board and management responsibilities. • Ensure that the board has adequate resources to support its work. • Is jointly responsible with the President and CEO for developing ways to involve the board in the ongoing processes of strategic planning and risk management. • While working closely with the President and CEO, retains an independent perspective to best represent the interests of the Authority, the communities it serves and the board. • On behalf of the board, shall report to the Economic Community Development Commission (ECDC) on the affairs of the corporation including all business aspects of casinos owned or operated by the corporation and shall, if so requested, report on the same matters to the FSIN legislative assembly. • Reports to the board of directors any guidance or advice that ECDC has offered to the corporation. • Is a non-executive appointment.	Yes

	SIGA's Governance Practices	Does SIGA Align?
MEETINGS OF INDEPENDENT DIRECTORS		
NP 58-201, section 3.3		
3.3 The independent directors should hold regularly scheduled meetings at which non-independent directors and members of management are not present.	The terms of reference for the board and each committee require that the board and each committee meet regularly without management present. In-camera sessions are a standing agenda item.	Yes, SIGA substantially meets this requirement
1 (g) Disclose whether the independent directors hold regularly scheduled meetings at which members of management are not present, disclose the number of such meetings held in the previous 12 months; if such meetings are not held, disclose what the board does to facilitate open and candid discussion among independent directors.	There were 12 regular board meetings held in 2008/09 and during each regular meeting, in-camera sessions are a standing agenda item. Board practices that facilitate open and candid discussion allow for open and direct communication on issues that it may not be appropriate to discuss with representatives of management. • Holding in-camera sessions of no fixed duration where directors are encouraged to raise any issues of concern. • Having an independent director as Chair of the board. • Clearly delineating the division of responsibilities between the board and the President and CEO. • Providing board/directors with access to external advice. The board is satisfied that its governance practices foster full and open discussion and debate and that it retains the independence of mind to make decisions in the best interest of the corporation and the shareholder.	Yes
NI 58-101F1, sections 1(g)		
1 (g) Disclose the attendance record of each director for the board meetings held in the most recently completed financial year.	The board held a minimum of 12 meetings in 2008/09 with a number of additional meetings to deal with specific business issues. The number of board meetings attended by each director is set out below:	Yes

Directors	Meetings Attended*	Total Meetings
Ray Ahenakew, Chair	14	(14)
Edward Henderson, Vice Chair	14	(14)
Gary Laplante, Director	12	(14)
Sheldon Wuttunee, Director	11	(14)
Isabel O'Soup, Director	13	(14)
Reginald Bellerose, Director	13	(14)
Brian Standingready, Director	14	(14)
Felix Thomas, Director	14	(14)
Robert Gerow, Director	14	(14)

*For purposes of this report, members who attended meetings in part were considered to be present. Figures in brackets represent the maximum number for the period in which the individual was a board member.

	SIGA's Governance Practices	Does SIGA Align?
BOARD MANDATE		
NP 58-201, section 3.4		
3.4 The board should adopt a written mandate which explicitly acknowledges responsibility for the stewardship of the corporation and responsibility for;	The board has adopted a comprehensive written mandate board policy no. B03-001 that complies with the elements required in this policy. Specific policies B03-008 board member responsibilities and B03-012 board chair terms of reference outline the primary duties and responsibilities of the board, including the responsibility to function as stewards of the corporation and to:	Yes
(a) to the extent possible, satisfying itself as to the integrity of the CEO and executive and that they have created a culture of integrity throughout the organization;	• Provide leadership in setting the authority's long range strategic direction, and to approve the authority's overall strategic plan, operating goals, operating budget, performance indicators, and the business and financial plans established to achieve them.	
(b) adopting a strategic planning process and approving at least annually a strategic plan which takes into account, among other things, the opportunities and risks of the business;	• Develop corporate policies to ensure effective corporate governance and board-management relations and to clarify management limitations.	
(c) identification of the principal risks of the corporation's business and ensuring the implementation of appropriate systems to manage these risks;	• Approve corporate governance structures, principles, practices and policies based on recommendations from the Governance Committee.	
(d) succession planning, including appointing, training and monitoring senior management;	• Approve any amendments to the mandate and structure of the board and its committees based on recommendations from the Governance Committee. Any change in structure requires prior approval of SLGA.	
(e) adopting a communications policy for the corporation;	• Choose the President and CEO. The board shall include SLGA in the selection of the President and CEO.	
(f) the integrity of the corporation's internal control and management information systems; and	The written mandate should also address measures for receiving feedback from stakeholders (for example, a process for stakeholders to contact independent directors); and the expectations and responsibilities of directors; including basic duties to attend meetings and review materials in advance.	
(g) developing the corporation's approach to corporate governance, including a set of principles and guidelines specific to the corporation.	• Coach the President and CEO.	
	• Review and discuss the annual corporate risk profile received from the Audit and Finance Committee.	
	• Monitor and assess the performance of the President and CEO.	
	• Approve succession plans for the President and CEO and Senior Executive based on recommendations from the Human Resources and Compensation and Governance Committee.	
	• Develop contingency plans for transitional board leadership and transitional President and CEO duties.	
	• Provide assurance to stakeholders about the integrity of the organization's financial and non-financial performance.	
	• Periodically evaluate the size of the board to ensure the number of directors facilitates effective corporate governance. Any change to the size of the board requires SLGA and shareholder approval.	
	• Approve the internal auditor's mandate and the structure of the internal audit function based on recommendations from the Audit and Finance Committee.	
	• Ensure the corporation has adopted a communication policy.	

	SIGA's Governance Practices	Does SIGA Align?
NP 58-201, section 3.4 continued...	(a) The board has adopted specific policies (B03-008 Board Member Responsibilities and B03-012 Board Chair Terms of Reference) which outline the primary duties and responsibilities of the board Chair and board members. (b&c) The board holds annual strategic planning sessions to review the corporations strategic direction with a business and risk management plan developed by management to support that direction. The Audit and Finance Committee is responsible for the implementation and monitoring of the risk management plan. The Audit and Finance Committee meets with the internal and external auditors to discuss the corporations risks. (d) The succession plan is covered in the board terms of reference and is substantially completed. (f) The corporation is working to establish an integrated risk management function and the corporate "infrastructure" for the identification and management of the risks that could prevent SIGA from achieving its strategic goals and priorities. (g) The board has a Governance Committee that is responsible for and reports to the board on corporate governance matters. The corporation has also established an Ethics Advisory Committee. The Governance Committee has worked with the internal auditor to complete an audit of the corporation's governance practices with the following comment from the internal auditor Prosser and Associates: *SIGA's current governance practices are consistent with the guidelines Advocated in the Ontario Securities Commission National Policy 58-201. SIGA's current disclosure practices are consistent with the guidelines set out in the Ontario Securities Commission National instrument 58-101. The board substantially complies with its corporate governance policies.* To support and ensure timely follow up on any recommendations made in the audit an audit implementation plan has been developed. The SIGA Board has formally adopted a governance model, generally-accepted governance practices, and a suite of corporate governance policies. The policies ensure continuity of good governance practices and provide ongoing direction for the board, its committees, and management. This governance model enables the board to focus on the larger issues, to delegate with clarity, to control management's job without meddling, to rigorously evaluate the accomplishment of the organization, and to truly lead the organization. The board governs through policies that define the relationship between the board and the President and CEO, and establish organizational goals (ends), governance approach and management limitations. The President and CEO is empowered and has the broad freedom to determine the means that will be used to achieve organizational aims. The President and CEO reports to the full board. The board acts in trust for the owners and the board speaks with one voice. The board decisions are predominately policy decisions; providing direction (i.e. setting and communicating broad goals to management) is the pivotal duty of the board – not micro-managing. The President and CEO decides how these goals are to be achieved, as long as he/she does so ethically and within any limitations that the board may impose. The board controls management through limitations policies, not prescriptive policies. The board develops policies that govern the board. The board's link to management is through the President and CEO. The board rigorously monitors the President and CEO's performance against well-defined criteria.	

	SIGA's Governance Practices	Does SIGA Align?
NP 58-201, section 3.4 continued...	(f) SIGA has completed a public opinion survey to obtain feedback from stakeholders on the corporation's activities. A stakeholders newsletter is distributed quarterly to all stakeholder groups. The Chair of the board and the President and CEO participate in quarterly sessions to provide an update and review the corporation's performance with the FSIN Economic Development Commission, which is comprised of shareholders of the corporation. The annual general meeting of the members was held in September 2008.	
NI 58-101F1, section 2		
2. Disclose the board's written mandate.	The board's key responsibilities are described above in NP 58-201 section 3.4. The board's written Mandate, Policy B03-001 can be obtained from the Board Secretary upon request.	Yes
POSITION DESCRIPTIONS		
NP 58-201, section 3.5		
3.5 The board should: develop clear position descriptions for the Chair of the board and the Chair of each committee; together with the CEO, develop a position description for the CEO delineating management's responsibilities; develop or approve corporate goals and objectives that the CEO is responsible to meet.	The board has adopted specific policies (B03-008 Board Member Responsibilities and B03-012 Board Chair Terms of Reference) which outline the primary duties and responsibilities of the board chair and board members. The board has adopted mandates for all standing committees which outline their specific responsibilities. The governance model that the board has adopted indicates that the board governs through policies that define the relationship between the board and the President and CEO, and establishes organizational aims (ends), governance approach and management limitations. The President and CEO has a broad range of freedom to determine the means that will be used to achieve organizational aims. The President and CEO reports to the full board. The board has established a position description for the CEO setting out his responsibilities, authorities and accountabilities, as well as performance indicators. The board assesses the CEO against these performance indicators. The Delegation of Authority Policy, applicable to monetary and non-monetary matters, sets out those matters that require board approval and delegates other matters to management. The board annually approves the business plan that includes the corporate goals, objectives, priorities and performance indicators which the CEO is responsible for meeting and assesses the CEO against these objectives.	Yes
NI 58-101F1, sections 3(a) and (b)		
3 (a) Disclose whether the board has developed written position descriptions for the Chair of the board and the Chair of each board committee and, if not, describe how the board delineates the role and responsibilities of each such position. (b) Disclose whether the board and CEO have developed a written position description for the CEO.	3 (a) The committees all have written mandates adopted by the board that delineate the roles and responsibilities of that committee. Each committee met as follows: Human Resources and Compensation – 5, Governance – 5, Ethics – 6, Audit and Finance – 12. The Chairs of each committee review the minutes from their committee meetings with the full board at the monthly board meeting. This allows for effective communication and delineation of responsibilities between the committees. (b) The board has developed a comprehensive job description for the CEO. The corporation's business plan identifies the goals and objectives that are to be achieved by the CEO in the fiscal year.	Yes

	SIGA's Governance Practices	Does SIGA Align?
ORIENTATION AND CONTINUING EDUCATION		
NP 58-201, sections 3.6 and 3.7		
3.6 The board should ensure new directors receive comprehensive orientation and fully understand the role of the board and committees, the contribution individual directors are expected to make and the nature and operation of the business.	3.6 Through their mandate, the Governance Committee holds the responsibility to ensure and to monitor whether the proper orientation and continuing education training opportunities are made available to the board. SIGA management has provided comprehensive orientation training to the directors about the business and the industry. SIGA also provides all directors with a comprehensive binder that contains essential reference materials.	Yes
3.7 The board should provide continuing education opportunities for all directors to enhance their skills and abilities and ensure their knowledge of the corporation's business is current.	3.7 The corporation makes available to the directors the opportunity to participate in comprehensive education programs such as: Institute of Corporate Directors – Directors Education Program, Aboriginal Board Governance Development and the Directors College – Chartered Directors Program. All are certified comprehensive education programs with specific focuses on key roles and responsibilities of boards, committees and directors.	
NI 58-1011, sections 4(a) and (b)		
4 (a) Describe the measures taken to orient new directors to the role for the board, committees and directors and to the nature of the corporation's business. (b) Describe the measures taken to provide continuing education opportunities for all directors.	4 (a) SIGA management provides comprehensive orientation training for the directors about the business and the industry. The corporation also provides all directors with a comprehensive binder that contains essential reference materials. The orientation provides directors with a understanding of the industry trends, business risks and challenges, the strategic plan, organizational structure and the responsibilities of senior staff. (b) SIGA makes available to the directors external opportunities to participate in comprehensive certified education programs such as: Institute of Corporate Directors – Directors Education Program, Aboriginal Board Governance Development and the Directors College – Chartered Directors Program. Over the past number of years, a focus has been to identify what skill sets board members require that will assist them in effectively discharging their responsibilities. Other experts have been brought in to support the board's development such as outside legal counsel, with expertise in board governance, to outline the board's legal and fiduciary responsibilities. 8 of the 9 Directors have participated in Financial Literacy training program provided by the external audit firm, Deloitte and Touche in February 2009.	Yes

	SIGA's Governance Practices	Does SIGA Align?
CODE OF BUSINESS CONDUCT AND ETHICS **NP 58-201, section 3.8**		
3.8 The board should adopt a written code of business conduct and ethics applicable to directors, officers and employees of the corporation designed to promote integrity and deter wrongdoing. The code should address: (a) conflicts of interest, including transactions and agreements where a director or officer has a material interest. (b) protection and proper use of corporate assets and opportunities; (c) confidentiality of corporate information; (d) fair dealing with the corporation's security holders, customers, suppliers, competitors and employees; (e) compliance with laws, rules and regulations; and (f) reporting of illegal or unethical behaviour.	3.8 SIGA has developed a written Code of Conduct and Ethics Policy applicable to all directors, a separate Code of Conduct and Ethics Policy that is applicable to Senior Management and a Code of Conduct and Ethics Policy applicable to the employees. The Directors Policy: The purpose of this document is to establish guidelines for conduct required of all directors of the Saskatchewan Indian Gaming Authority. The guidelines are not intended to be exhaustive. If issues outside the explicit guidelines arise, they should be addressed in accordance with the general principles in this document or through the exercise of sound business and ethical judgment. Directors may seek guidance from the Saskatchewan Indian Gaming Authority legal counsel. These guidelines are supplementary to any statutory or common law duties and obligations and to any other standards of conduct applicable to directors. The corporation also has a Directors Conflict of Interest Policy and a Disclosure of Wrongdoing Policy and has implemented an employee hotline that is independently operated. The code addresses conflict of interest and confidentiality. In addition, each director must complete a Conflict of Interest Declaration form and a Relationship Declaration form. The declaration forms shall be completed on an annual basis, or more often in the event a potential conflict of interest situation arises. The completed forms are forwarded to and retained on file in the board secretary's office. Copies are to be provided to the Ethics Committee. Conflict of Interest declarations are completed at every board and committee meeting. The President and CEO and Senior Management Policies: President and CEO and senior managers are required to observe the highest standards of ethical conduct, consistent with the values of integrity, impartiality and discretion, both within and outside the workplace, and to promote a corporate culture in which ethical conduct is recognized, valued and exemplified by everyone. **Signed Declarations** The President and CEO and all senior managers must sign a declaration form upon commencement of employment with SIGA, acknowledging that they have read and agree to follow SIGA's Code of Conduct and Ethics Policy and on an annual basis thereafter. The President and CEO and all senior managers are required to complete a Conflict of Interest Declaration form and a Relationship Declaration form. The declaration forms shall be completed on an annual basis, or more often in the event a potential conflict of interest situation arises. The completed forms are forwarded to and retained on file in the Corporate Solicitor's office and are reviewed with the Ethics Committee.	Yes

	SIGA's Governance Practices	Does SIGA Align?
NI 58-101F1, sections 5(a)		
5 (a) Disclose whether the board has adopted a written code of ethical business conduct for the directors, officers and employees of the corporation; how to obtain a copy of the code; how the board monitors compliance with the code; and reference any material change report in the most recent financial year relating to any conduct of a director or officer that constitutes a departure from the code.	5 (a) A copy of the Directors, President and CEO Code of Conduct Policy can be obtained by contacting SIGA. The Board Chair and the Ethics Advisory Committee monitor compliance with the code of conduct policy for the directors and the President and CEO. The President and CEO monitors compliance with the code of conduct policy for senior management. The Audit and Finance Committee is responsible for: monitoring and reviewing the financial performance and internal controls of the Authority; monitoring, reviewing and ensuring the adequacy of the Authority's risk management policies and procedures; enhancing the credibility and objectivity of the Authority's financial reports; and acting as a communication link between the board of directors, the external and provincial auditors and the internal auditor. The mandate of the Audit and Finance Committee shall be tabled at the annual general meeting for review by the members. The HR and Compensation Committee shall review the authority's overall compensation programs and recommend compensation for the President and CEO and Senior Executive, and ensure that the overall compensation structure provides appropriate incentives to management and employees at all levels.	Yes
NP 58-201, section 3.9		
3.9 The board should monitor compliance with the code and any waivers granted for the benefit of directors and executive officers should be granted by the board or committee. Any waivers for a material departure from the code for any directors or officers should disclose full details of the material change.	3.9 The board has delegated to the board Chair and the Ethics Advisory Committee the responsibility for monitoring compliance with the Authority's Code of Conduct Policy.	Yes
NI 58-101F1, section 5(b)		
5 (b) Describe steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements where a director or officer has a material interest 5 (c) Describe other steps the board takes to encourage and promote a culture of ethical business conduct.	SIGA has a written code of conduct policy applicable to all directors. The corporation has a Director's Conflict of Interest Policy meant to protect the authority's interest by outlining guidelines for the authority's board which ensures that a conflict of interest does not exist or appear to exist. The corporation has a Disclosure of Wrongdoing Policy in place and, to further support that, the board has implemented an employee hotline that is independently operated. The hotline provides a means for employees to report allegations of serious wrongdoing and identify situations where wrongdoing is or has occurred so it can be eliminated.	Yes
NOMINATION OF DIRECTORS		
NP 58-201, section 3.10		
3.10 The board should appoint a nominating committee composed of entirely independent directors.	As identified in the by-laws of the corporation the board structure will be comprised of no more than 13 directors. The Federation of Saskatchewan Indian Nations and the Tribal Councils appointing twelve of these directors (one per Tribal Council) with the SIGA board appointing one independent director with financial expertise. All appointments are ratified by the Federation of Saskatchewan Indian Nations Legislative Assembly. The SIGA board has undertaken the responsibility of developing a skills profile for its board members. It is distributed to all shareholders for their use as criteria to base their nomination/ selection of directors.	N/A

	SIGA's Governance Practices	Does SIGA Align?
COMPENSATION		
NP 58-201, section 3.15		
3.15 The board should appoint a compensation committee composed entirely of independent directors.	The Human Resources and Compensation Committee shall review the Authority's overall compensation programs and recommend President and CEO and Senior Executive team compensation and ensure that the overall compensation structure provides appropriate incentives to management and employees at all levels.	Yes
NI 58-11F1, sections 7(a) and (b)		
7 (a) Describe the process by which the board determines compensation for the directors and officers of the corporation. (b) Disclose whether the board has a compensation committee composed entirely of independent directors and, if not, describe the steps the board takes to ensure an objective process for determining such compensation.	7 (a) The corporation has developed a number of policies to assist in determining rates for director compensation. Directors will be compensated for serving on SIGA's board through a combination of retainer fees and per diems. Directors will be reimbursed for travel and business expenses in accordance with Corporate Policy No. B03-017 Travel and Business Expenses (Board Members). The monitoring of compensation for directors is the responsibility of the Governance Committee, who review this on a bi-annual basis. The board determines compensation by retaining the services of an external consultant to complete a market survey utilizing industry standards. (b) Board members will receive the following retainer fees on an annual basis to be paid in quarterly installments: Board Chairperson $8,000; Board Director $6,000; Board/Committee Chairperson meeting fee $700; Board/Committee Member meeting fee $600.	Yes
NP58-201, section 3.16		
3.16 The compensation committee should have a written charter establishing the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure, operations (including any authority to delegate to individual directors or subcommittees) and manner of reporting to the board. In addition, the compensation committee should be given authority to engage and compensate outside advisors necessary to permit it to carry out its work.	The board has approved a mandate for the Human Resources and Compensation Committee with the core responsibilities to: • Annually review and monitor Senior Executive contracts, compensation and benefits program and recommend changes where appropriate. • Annually review and monitor other senior management position compensation and benefit programs and any proposed changes and report to the board for information in advance of any such changes being implemented. • Annually review and monitor management and staff compensation and benefits program and policies and recommend changes or new programs where appropriate. • Ensure there are ongoing executive development programs that help promising individuals within the organization develop the critical skills identified in the succession plan. • Annually review the administration of all management and staff benefit and compensation plans to ensure conformity with approved policies. • Review on a regular basis the mechanisms that management has in place for employee recruitment and to monitor the retention of employees with a process for monitoring risk. • Based on the CEO evaluation results, the Human Resource Compensation Committee reviews and makes recommendations to the board regarding the CEO's compensation.	Yes

	SIGA's Governance Practices	Does SIGA Align?
NI 58-101F1, sections 7(c)		
(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the committee.	The Human Resources and Compensation Committee serves as SIGA's compensation committee. This is a standing committee and serves as an advisory committee appointed by the board. The Human Resources Committee's core responsibilities are identified above.	Yes
NP 58-201, section 3.17		
3.17 The compensation committee should be responsible for: reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives, and determining the CEO's compensation level based on the evaluation; making recommendations to the board respecting non-CEO officer and director compensation, incentive-compensation plans and equity-based plans; and reviewing executive compensation prior to public disclosure.	The board shall evaluate the performance of the President and CEO annually. The Governance Committee oversees the evaluation of the President and CEO. They are responsible for ensuring that the evaluation results are reported in writing to the board. The President and CEO shall be held to account for achieving the board's ends directives, as stated in the corporate strategic plan, and for complying with management limitations policies prescribed by the board. The results of the CEO's performance are approved by the full board. This policy is monitored by the Chair of the board.	Yes
NI 58-101F1, sections 7(d)		
(d) If a compensation consultant has been retained, at any time during the corporation's most recently competed fiscal year, to assist in determining compensation for any of the corporation's directors and officers, disclose the identity of the consultant and briefly summarize their mandate. If retained to perform any other work, state that fact and briefly describe the nature of the work.	In 2008/09, the corporation retained the services of external consultants Watson Wyatt to complete a market survey, utilizing industry standards in Saskatchewan and Western Canada in determining executive and employee compensation.	Yes
OTHER BOARD COMMITTEES		
NI 58-101F1, section 8		
8 If the board has standing committees of the board, other than audit, compensation and nominating committees, identify the committees and describe their function.	The SIGA board has the following standing committees in place: Audit and Finance, Ethics Advisory, Governance, and Human Resources and Compensation. All committees have comprehensive mandates that meet the policy requirements. The core responsibilities are listed below with the exception of Human Resources and Compensation (identified above). **Audit and Finance Committee** The board has approved a mandate for the Audit and Finance Committee and the core responsibilities are: Internal Audit • Review as required and recommend to the board the internal auditor's mandate and the structure of the internal audit function. • Recommend to the board the appointment, reappointment or dismissal of the internal auditor. • Ensure internal audit's independence through direct communication with the Audit and Finance Committee, review and approve the annual plans, accomplishments and cost of the internal auditor and report to the board the nature of any matter from the internal auditor's report that remains unresolved. • Review the quality of service and performance of the internal auditor.	Yes

	SIGA's Governance Practices	Does SIGA Align?
NI 58-101F1, section 8 continued...	External Audit • Represent the shareholders in all dealings with the external auditors, recognizing that the external auditors are accountable to the board members and the audit committee as representatives of the shareholders. • Recommend to the board the appointment, reappointment or dismissal of an external auditor. • Establish the independence of the external auditor. • Review the annual audited financial statements prior to their submission to the board for approval. This review shall include an in-camera meeting with the external auditor/Provincial Auditor. Finance • Review and recommend to the board key financial targets and the operating and capital budgets including significant budget assumptions. • Review and report to the board monthly financial results, including a comparison of actual to budgeted results with reasons for significant variances and financial forecasts. • Review and report to the board periodically on operating results (i.e. progress relative to the strategic plan and the business plan). • Review and report to the board any changes in accounting policies or significant transactions that impact the financial statements. Other • Oversee the Authority's risk assessment and risk management processes. • Understand the Authority's systems of internal control for ensuring compliance with legal, ethical, code of conduct, regulatory and financial reporting requirements, and periodically review the adequacy of the systems with both the external auditor and the internal auditor. Ethics Advisory Committee The board has approved a mandate for the Ethics Advisory Committee with core responsibilities for: • Monitoring best practices in corporate ethics and annually reviewing the Authority's ethics policies, processes and practices to ensure that the Authority continues to exemplify high standards of corporate ethics. • Annually receive and consider directors and senior managers Conflict of Interest Declaration forms. When necessary, make recommendations to the board regarding actual, potential and perceived conflicts of interest. No waivers were granted in 2008/09. • When necessary, engage the internal auditor to undertake investigations into allegations of wrongdoing. Make appropriate recommendations to the board and/or President and CEO.	

	SIGA's Governance Practices	Does SIGA Align?
NI 58-101F1, section 8 continued...	Governance Committee The board has approved a mandate for the Governance Committee with the following specific functions, duties and responsibilities. • Monitor best practices for governance and annually review the Authority's governance practices to ensure that the Authority continues to exemplify high standards of corporate governance. • Develop and recommend corporate governance structures, principles, practices, and policies. • Review the structure, composition, mandate and membership at least annually for the board and each committee and recommend to the board any amendments as deemed necessary or advisable. • Oversee the evaluation of the board and its committees. • Oversee the orientation and on-going education of board members. • Review annually the level and nature of compensation for directors. • Oversee the Authority's processes for providing information to the board. • Receive a report from the President/CEO on an annual basis, that the corporation has met its legal requirements and obligations. • Develop and recommend position descriptions for the board, board Chair, directors, and President/CEO. • Recommend to the board the appointment/dismissal of the President/CEO. • Oversee the evaluation of the President/CEO. Ensure evaluation results are reported in writing to the board. • Review in advance any plans for changes to the organization structure and reporting relationships pertaining to the Senior Executive as defined in 3.3 above, and make appropriate recommendations to the board in order to assist the board in coming to a decision whether to approve the proposed changes. • Recommend succession plans for the President/CEO. • Develop guidelines, measures and means of assessing intergovernmental and member relations. • Ensure there is a communications policy in place for the Authority.	

"SIGA is an opportunity for First Nations people to expand and grow – it links us together. SIGA means progress for all of us to be more united and build positive places in which to work and play..."

"... And it feels like family."

SIGA CENTRAL OFFICE
250-103C Packham Avenue
Saskatoon, SK S7N 4K4

306.477.7777

www.siga.sk.ca

BEAR CLAW CASINO
White Bear First Nation

306.577.4577

DAKOTA DUNES CASINO
Saskatoon

306.667.6400

GOLD EAGLE CASINO
North Battleford

306.446.3833

LIVING SKY CASINO
Swift Current

306.778.5759

NORTHERN LIGHTS CASINO
Prince Albert

306.764.4777

PAINTED HAND CASINO
Yorkton

306.786.6777